

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 31, 2025
OR
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____
Commission File Number: 001-36008

Rexford Industrial Realty, Inc.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of incorporation or organization)

11620 Wilshire Boulevard, Suite 1000
(Address of principal executive offices)

Los Angeles

California

46-2024407

(I.R.S. Employer Identification No.)

90025
(Zip Code)

(310) 966-1680

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbols	Name of each exchange on which registered
Common Stock, \$0.01 par value	REXR	New York Stock Exchange
5.875% Series B Cumulative Redeemable Preferred Stock	REXR-PB	New York Stock Exchange
5.625% Series C Cumulative Redeemable Preferred Stock	REXR-PC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of common stock outstanding at April 16, 2025 was 236,685,048.

REXFORD INDUSTRIAL REALTY, INC.
QUARTERLY REPORT FOR THE THREE MONTHS ENDED MARCH 31, 2025
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

REXFORD INDUSTRIAL REALTY, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited and in thousands – except share and per share data)

	March 31, 2025	December 31, 2024
ASSETS		
Land	\$ 7,797,744	\$ 7,822,290
Buildings and improvements	4,573,881	4,611,987
Tenant improvements	181,632	188,217
Furniture, fixtures and equipment	132	132
Construction in progress	386,719	333,690
Total real estate held for investment	12,940,108	12,956,316
Accumulated depreciation	(1,021,151)	(977,133)
Investments in real estate, net	11,918,957	11,979,183
Cash and cash equivalents	504,579	55,971
Restricted cash	50,105	—
Loan receivable, net	123,359	123,244
Rents and other receivables, net	17,622	15,772
Deferred rent receivable, net	166,893	161,693
Deferred leasing costs, net	70,404	67,827
Deferred loan costs, net	1,642	1,999
Acquired lease intangible assets, net	182,444	201,467
Acquired indefinite-lived intangible asset	5,156	5,156
Interest rate swap assets	5,580	8,942
Other assets	20,730	26,964
Assets associated with real estate held for sale	18,386	—
Total Assets	\$ 13,085,857	\$ 12,648,218
LIABILITIES & EQUITY		
Liabilities		
Notes payable	\$ 3,348,060	\$ 3,345,962
Accounts payable, accrued expenses and other liabilities	141,999	149,707
Dividends and distributions payable	105,285	97,823
Acquired lease intangible liabilities, net	136,661	147,473
Tenant security deposits	90,050	90,698
Tenant prepaid rents	88,822	90,576
Liabilities associated with real estate held for sale	234	—
Total Liabilities	3,911,111	3,922,239
Equity		
Rexford Industrial Realty, Inc. stockholders' equity		
Preferred stock, \$0.01 par value per share, 10,050,000 shares authorized:		
5.875% series B cumulative redeemable preferred stock, 3,000,000 shares outstanding at March 31, 2025 and December 31, 2024 (\$75,000 liquidation preference)	72,443	72,443
5.625% series C cumulative redeemable preferred stock, 3,450,000 shares outstanding at March 31, 2025 and December 31, 2024 (\$86,250 liquidation preference)	83,233	83,233
Common Stock, \$0.01 par value per share, 489,950,000 authorized and 236,170,854 and 225,285,011 shares outstanding at March 31, 2025 and December 31, 2024, respectively	2,362	2,253
Additional paid-in capital	9,116,069	8,601,276
Cumulative distributions in excess of earnings	(474,550)	(441,881)
Accumulated other comprehensive income	3,582	6,746
Total stockholders' equity	8,803,139	8,324,070
Noncontrolling interests	371,607	401,909
Total Equity	9,174,746	8,725,979
Total Liabilities and Equity	\$ 13,085,857	\$ 12,648,218

The accompanying notes are an integral part of these consolidated financial statements.

REXFORD INDUSTRIAL REALTY, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited and in thousands – except share and per share data)

	Three Months Ended March 31,	
	2025	2024
REVENUES		
Rental income	\$ 248,821	\$ 210,990
Management and leasing services	142	132
Interest income	3,324	2,974
TOTAL REVENUES	252,287	214,096
OPERATING EXPENSES		
Property expenses	55,261	47,482
General and administrative	19,868	19,980
Depreciation and amortization	86,740	66,278
TOTAL OPERATING EXPENSES	161,869	133,740
OTHER EXPENSES		
Other expenses	2,239	1,408
Interest expense	27,288	14,671
TOTAL EXPENSES	191,396	149,819
Gains on sale of real estate	13,157	—
NET INCOME	74,048	64,277
Less: net income attributable to noncontrolling interests	(2,849)	(2,906)
NET INCOME ATTRIBUTABLE TO REXFORD INDUSTRIAL REALTY, INC.	71,199	61,371
Less: preferred stock dividends	(2,314)	(2,314)
Less: earnings allocated to participating securities	(539)	(418)
NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 68,346	\$ 58,639
Net income attributable to common stockholders per share - basic	\$ 0.30	\$ 0.27
Net income attributable to common stockholders per share - diluted	\$ 0.30	\$ 0.27
Weighted average shares of common stock outstanding - basic	227,395,984	214,401,661
Weighted average shares of common stock outstanding - diluted	227,395,984	214,437,913

The accompanying notes are an integral part of these consolidated financial statements.

REXFORD INDUSTRIAL REALTY, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited and in thousands)

	Three Months Ended March 31,	
	2025	2024
Net income	\$ 74,048	\$ 64,277
Other comprehensive (loss) income: cash flow hedge adjustments	(3,285)	6,979
Comprehensive income	70,763	71,256
Less: Comprehensive income attributable to noncontrolling interests	(2,728)	(3,135)
Comprehensive income attributable to Rexford Industrial Realty, Inc.	<u>\$ 68,035</u>	<u>\$ 68,121</u>

The accompanying notes are an integral part of these consolidated financial statements.

REXFORD INDUSTRIAL REALTY, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited and in thousands – except share data)

	Preferred Stock	Number of Common Shares	Common Stock	Additional Paid-in Capital	Cumulative Distributions in Excess of Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2024	\$ 155,676	225,285,011	\$ 2,253	\$ 8,601,276	\$ (441,881)	\$ 6,746	\$ 8,324,070	\$ 401,909	\$ 8,725,979
Issuance of common stock	—	9,776,768	97	478,475	—	—	478,572	—	478,572
Offering costs	—	—	—	(974)	—	—	(974)	—	(974)
Share-based compensation	—	255,047	3	1,848	—	—	1,851	8,171	10,022
Shares acquired to satisfy employee tax withholding requirements on vesting restricted stock	—	(40,496)	—	(1,636)	—	—	(1,636)	—	(1,636)
Conversion of OP Units to common stock	—	894,524	9	37,080	—	—	37,089	(37,089)	—
Net income	2,314	—	—	—	68,885	—	71,199	2,849	74,048
Other comprehensive loss	—	—	—	—	—	(3,164)	(3,164)	(121)	(3,285)
Preferred stock dividends (\$0.367188 per series B preferred share and \$0.351563 per series C preferred share)	(2,314)	—	—	—	—	—	(2,314)	—	(2,314)
Preferred unit distributions	—	—	—	—	—	—	—	(381)	(381)
Common stock dividends (\$0.43 per common share)	—	—	—	—	(101,554)	—	(101,554)	—	(101,554)
Common unit distributions	—	—	—	—	—	—	—	(3,731)	(3,731)
Balance at March 31, 2025	<u>\$ 155,676</u>	<u>236,170,854</u>	<u>\$ 2,362</u>	<u>\$ 9,116,069</u>	<u>\$ (474,550)</u>	<u>\$ 3,582</u>	<u>\$ 8,803,139</u>	<u>\$ 371,607</u>	<u>\$ 9,174,746</u>

The accompanying notes are an integral part of these consolidated financial statements.

REXFORD INDUSTRIAL REALTY, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Continued)
(Unaudited and in thousands – except share data)

	Preferred Stock	Number of Common Shares	Common Stock	Additional Paid-in Capital	Cumulative Distributions in Excess of Earnings	Accumulated Other Comprehensive Income	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2023	\$ 155,676	212,346,450	\$ 2,123	\$ 7,940,781	\$ (338,835)	\$ 7,172	\$ 7,766,917	\$ 376,988	\$ 8,143,905
Issuance of common stock	—	5,263,602	52	291,036	—	—	291,088	—	291,088
Offering costs	—	—	—	(972)	—	—	(972)	—	(972)
Share-based compensation	—	196,219	2	2,132	—	—	2,134	7,324	9,458
Shares acquired to satisfy employee tax withholding requirements on vesting restricted stock	—	(38,164)	—	(1,989)	—	—	(1,989)	—	(1,989)
Conversion of OP Units to common stock	—	53,949	1	2,139	—	—	2,140	(2,140)	—
Net income	2,314	—	—	—	59,057	—	61,371	2,906	64,277
Other comprehensive income	—	—	—	—	—	6,750	6,750	229	6,979
Preferred stock dividends (\$0.367188 per series B preferred share and \$0.351563 per series C preferred share)	(2,314)	—	—	—	—	—	(2,314)	—	(2,314)
Preferred unit distributions	—	—	—	—	—	—	—	(801)	(801)
Common stock dividends (\$0.4175 per common share)	—	—	—	—	(90,942)	—	(90,942)	—	(90,942)
Common unit distributions	—	—	—	—	—	—	—	(3,410)	(3,410)
Balance at March 31, 2024	<u>\$ 155,676</u>	<u>217,822,056</u>	<u>\$ 2,178</u>	<u>\$ 8,233,127</u>	<u>\$ (370,720)</u>	<u>\$ 13,922</u>	<u>\$ 8,034,183</u>	<u>\$ 381,096</u>	<u>\$ 8,415,279</u>

The accompanying notes are an integral part of these consolidated financial statements.

REXFORD INDUSTRIAL REALTY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited and in thousands)

	Three Months Ended March 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 74,048	\$ 64,277
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	86,740	66,278
Amortization of net (below) above market lease intangibles and other deferred rent on certain other below-market leases	(9,186)	(7,591)
Amortization of debt issuance costs	1,134	1,011
Amortization of discount/(premium) on notes payable, net	1,560	293
Accretion of net loan origination fees and costs	(115)	(115)
Gains on sale of real estate	(13,157)	—
Share-based compensation	9,699	9,088
Straight-line rent	(5,517)	(7,368)
Amortization related to termination/settlement of interest rate derivatives	77	138
Change in working capital components:		
Rents and other receivables	(1,853)	(402)
Deferred leasing costs	(5,455)	(5,331)
Other assets	5,962	4,556
Accounts payable, accrued expenses and other liabilities	9,939	21,093
Tenant security deposits	(648)	(1,432)
Tenant prepaid rents	(677)	(10,739)
Net cash provided by operating activities	152,551	133,756
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of investments in real estate	—	(1,068,031)
Capital expenditures	(79,148)	(79,901)
Payments for deposits on real estate acquisitions	—	(5,850)
Proceeds from sale of real estate	50,105	—
Net cash used in investing activities	(29,043)	(1,153,782)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of common stock, net	477,598	290,116
Proceeds from borrowings	—	1,129,875
Repayment of borrowings	(239)	(3,937)
Payment of debt issuance costs	—	(3,679)
Dividends paid to preferred stockholders	(2,314)	(2,314)
Dividends paid to common stockholders	(94,056)	(80,692)
Distributions paid to common unitholders	(3,767)	(3,041)
Distributions paid to preferred unitholders	(381)	(797)
Repurchase of common shares to satisfy employee tax withholding requirements	(1,636)	(1,989)
Net cash provided by financing activities	375,205	1,323,542
Increase in cash, cash equivalents and restricted cash	498,713	303,516
Cash, cash equivalents and restricted cash, beginning of period	55,971	33,444
Cash, cash equivalents and restricted cash, end of period	\$ 554,684	\$ 336,960
Supplemental disclosure of cash flow information:		
Cash paid for interest (net of capitalized interest of \$8,230 and \$7,926 for the three months ended March 31, 2025 and 2024, respectively)	\$ 35,095	\$ 11,049
Supplemental disclosure of noncash transactions:		
Accrual for capital expenditures	\$ 48,549	\$ 54,239
Accrual of dividends and distributions	\$ 105,285	\$ 94,356

The accompanying notes are an integral part of these consolidated financial statements.

REXFORD INDUSTRIAL REALTY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Organization

Rexford Industrial Realty, Inc. is a self-administered and self-managed full-service real estate investment trust (“REIT”) focused on owning and operating industrial properties in Southern California infill markets. We were formed as a Maryland corporation on January 18, 2013, and Rexford Industrial Realty, L.P. (the “Operating Partnership”), of which we are the sole general partner, was formed as a Maryland limited partnership on January 18, 2013. Through our controlling interest in our Operating Partnership and its subsidiaries, we own, manage, lease, acquire, reposition and redevelop industrial real estate principally located in Southern California infill markets, and, from time to time, acquire or provide mortgage debt secured by industrial zoned property or property suitable for industrial development. As of March 31, 2025, our consolidated portfolio consisted of 424 properties with approximately 51.0 million rentable square feet.

The terms “us,” “we,” “our,” and the “Company” as used in these financial statements refer to Rexford Industrial Realty, Inc. and, unless the context requires otherwise, its subsidiaries (including our Operating Partnership).

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

As of March 31, 2025 and December 31, 2024, and for the three months ended March 31, 2025 and 2024, the financial statements presented are the consolidated financial statements of Rexford Industrial Realty, Inc. and its subsidiaries, including our Operating Partnership. All intercompany balances and transactions have been eliminated in the consolidated financial statements.

Under consolidation guidance, we have determined that our Operating Partnership is a variable interest entity because the holders of limited partnership interests do not have substantive kick-out rights or participating rights. Furthermore, we are the primary beneficiary of the Operating Partnership because we have the obligation to absorb losses and the right to receive benefits from the Operating Partnership and the exclusive power to direct the activities of the Operating Partnership. As of March 31, 2025 and December 31, 2024, the assets and liabilities of the Company and the Operating Partnership are substantially the same, as the Company does not have any significant assets other than its investment in the Operating Partnership.

The accompanying unaudited interim consolidated financial statements have been prepared pursuant to the rules and regulations of the United States Securities and Exchange Commission (“SEC”). Certain information and footnote disclosures normally included in the financial statements prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) may have been condensed or omitted pursuant to SEC rules and regulations, although we believe that the disclosures are adequate to make their presentation not misleading. The accompanying unaudited financial statements include, in our opinion, all adjustments, consisting of normal recurring adjustments, necessary to present fairly the financial information set forth therein. The results of operations for the interim periods are not necessarily indicative of the results that may be expected for the year ending December 31, 2025. The interim financial statements should be read in conjunction with the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2024 and the notes thereto.

Any references to the number of properties, buildings and square footage are unaudited and outside the scope of our independent registered public accounting firm’s review of our financial statements in accordance with the standards of the United States Public Company Accounting Oversight Board.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash and liquid investments with an initial maturity of three months or less. The carrying amount approximates fair value due to the short-term maturity of these investments.

Restricted Cash

Restricted cash is generally comprised of cash proceeds from property sales that are being held by qualified intermediaries for purposes of facilitating tax-deferred like-kind exchanges under Section 1031 of the Internal Revenue Code of 1986, as amended (the “Code”). We include restricted cash with cash and cash equivalents in the consolidated statements of cash flows and provide a reconciliation between the balance sheet and the statement of cash flows provided that we have outstanding restricted cash balances.

Restricted cash balances are included with cash and cash equivalents balances as of the beginning and ending of each period presented in the consolidated statements of cash flows. The following tables provides a reconciliation of our cash and cash equivalents and restricted cash at the beginning and end of the three months ended March 31, 2025 and 2024 (in thousands):

	As of January 1,	
	2025	2024
Cash and cash equivalents	\$ 55,971	\$ 33,444
Restricted cash	—	—
Cash, cash equivalents and restricted cash, beginning of period	<u>\$ 55,971</u>	<u>\$ 33,444</u>

	As of March 31,	
	2025	2024
Cash and cash equivalents	\$ 504,579	\$ 336,960
Restricted cash	50,105	—
Cash, cash equivalents and restricted cash, end of period	<u>\$ 554,684</u>	<u>\$ 336,960</u>

Investments in Real Estate

Acquisitions

We account for acquisitions of properties under Accounting Standards Update (“ASU”) 2017-01, *Business Combinations - Clarifying the Definition of a Business*, which provides a framework for determining whether transactions should be accounted for as acquisitions of assets or businesses and further revises the definition of a business. Our acquisitions of properties generally do not meet the revised definition of a business and accordingly are accounted for as asset acquisitions.

For asset acquisitions, we allocate the cost of the acquisition, which includes cash and non-cash consideration paid to the seller and associated acquisition transaction costs, to the individual assets acquired and liabilities assumed on a relative fair value basis. These individual assets and liabilities typically include land, building and improvements, tenant improvements, intangible assets and liabilities related to above- and below-market leases, intangible assets related to in-place leases, and from time to time, assumed mortgage debt. As there is no measurement period concept for an asset acquisition, the allocated cost of the acquired assets is finalized in the period in which the acquisition occurs.

We determine the fair value of the tangible assets of an acquired property by valuing the property as if it was vacant. This “as-if vacant” value is estimated using an income, or discounted cash flow, approach that relies upon Level 3 inputs, which are unobservable inputs based on the Company’s assumptions with respect to the assumptions a market participant would use. These Level 3 inputs include discount rates, exit capitalization rates, market rental rates, rental growth rates and comparable sales data, including land sales, for similar properties. Estimates of future cash flows are based on a number of factors including historical operating results, known and anticipated trends, and market and economic conditions.

In determining the fair value of intangible lease assets or liabilities, we also consider Level 3 inputs. Acquired above- and below-market leases are valued based on the present value of the difference between prevailing market rental rates and the in-place rental rates measured over a period equal to the remaining term of the lease for above-market leases and the initial term plus the term of any below-market fixed rate renewal options for below-market leases determined to be reasonably certain of exercise, if applicable. The estimated fair value of acquired in-place at-market tenant leases are the estimated costs that would have been incurred to lease the property to the occupancy level of the property at the date of acquisition. We consider estimated costs such as the value associated with leasing commissions, legal and other costs, as well as the estimated period of time necessary to lease such a property to its occupancy level at the time of its acquisition.

From time to time, we may engage in a sale-leaseback transaction whereby we execute a lease with the seller/tenant simultaneously with the acquisition of a property. Sale-leaseback transactions entered into at off-market terms are adjusted so

that the transaction is recorded at fair value. If the purchase price is less than the fair value of the acquired property, or the present value of contractual leaseback payments is less than the present value of market rental payments, the difference is recognized as “Tenant prepaid rent” in the consolidated balance sheets and is recognized as rental income on a straight-line basis over the term of the lease.

The difference between the fair value and the face value of debt assumed, if any, in connection with an acquisition is recorded as a premium or discount and amortized to “interest expense” over the life of the debt assumed. The valuation of assumed liabilities is based on our estimate of the current market rates for similar liabilities in effect at the acquisition date.

Demolition costs incurred in conjunction with the acquisition of real estate are capitalized as part of the cost of the acquisition if the demolition (i) is contemplated as part of the acquisition and (ii) occurs within a reasonable period of time after the acquisition. If demolition was not contemplated as part of the acquisition or the demolition does not occur within a reasonable period of time after the acquisition, the costs of the demolition are expensed as incurred.

Capitalization of Costs

We capitalize direct costs incurred in developing, renovating, rehabilitating and improving real estate assets as part of the investment basis. This includes certain general and administrative costs, including payroll, bonus, and non-cash equity compensation of the personnel performing redevelopment, renovations and rehabilitation if such costs are identifiable to a specific activity to get the real estate asset ready for its intended use. During the redevelopment and construction periods of a project, we also capitalize interest, real estate taxes and insurance costs. We cease capitalization of costs upon substantial completion of the project, but no later than one year from cessation of major construction activity. If some portions of a project are substantially complete and ready for use and other portions have not yet reached that stage, we cease capitalizing costs on the completed portion of the project but continue to capitalize for the incomplete portion of the project. Costs incurred in making repairs and maintaining real estate assets are expensed as incurred.

We capitalized interest costs of \$8.2 million and \$7.9 million during the three months ended March 31, 2025 and 2024, respectively. We capitalized real estate taxes and insurance costs aggregating \$1.9 million and \$2.4 million during the three months ended March 31, 2025 and 2024, respectively. We capitalized compensation costs for employees who provide construction services of \$3.5 million and \$3.2 million during the three months ended March 31, 2025 and 2024, respectively.

Depreciation and Amortization

Real estate, including land, building and land improvements, tenant improvements, furniture, fixtures and equipment and intangible lease assets and liabilities are stated at historical cost less accumulated depreciation and amortization, unless circumstances indicate that the cost cannot be recovered, in which case, the carrying value of the property is reduced to estimated fair value as discussed below in our policy with regard to impairment of long-lived assets. We estimate the depreciable portion of our real estate assets and related useful lives in order to record depreciation expense.

The values allocated to buildings, site improvements, in-place lease intangibles and tenant improvements are depreciated on a straight-line basis using an estimated useful life that typically ranges from 10-30 years for buildings, 5-25 years for site improvements, and the shorter of the estimated useful life or respective lease term for in-place lease intangibles and tenant improvements.

As discussed above in “—*Investments in Real Estate—Acquisitions*,” in connection with property acquisitions, we may acquire leases with rental rates above or below the market rental rates. Such differences are recorded as an acquired lease intangible asset or liability and amortized to “rental income” over the remaining term of the related leases.

Our estimate of the useful life of our assets is evaluated upon acquisition and when circumstances indicate that a change in the useful life has occurred, which requires significant judgment regarding the economic obsolescence of tangible and intangible assets.

Assets Held for Sale

We classify a property as held for sale when all of the criteria set forth in the Accounting Standards Codification (“ASC”) Topic 360: *Property, Plant and Equipment* (“ASC 360”) have been met. The criteria are as follows: (i) management, having the authority to approve the action, commits to a plan to sell the property; (ii) the property is available for immediate sale in its present condition, subject only to terms that are usual and customary; (iii) an active program to locate a buyer and other actions required to complete the plan to sell have been initiated; (iv) the sale of the property is probable and is expected to be completed within one year; (v) the property is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and (vi) actions necessary to complete the plan of sale indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. At the time we classify a property as held for sale, we cease recording

depreciation and amortization. A property classified as held for sale is measured and reported at the lower of its carrying amount or its estimated fair value less cost to sell.

As of March 31, 2025, we had one property classified as held for sale. As of December 31, 2024, we did not have any properties classified as held for sale. See “Note 3 – Investment in Real Estate” and “Note 16 – Subsequent Events” for additional details.

Impairment of Long-Lived Assets

In accordance with the provisions of the Impairment or Disposal of Long-Lived Assets Subsections of ASC 360, we assess the carrying values of our respective long-lived assets, including operating lease right-of-use assets (“ROU assets”), whenever events or changes in circumstances indicate that the carrying amounts of these assets may not be fully recoverable. Recoverability of real estate assets and other long-lived assets is measured by comparison of the carrying amount of the asset to the estimated future undiscounted cash flows.

To review real estate assets for recoverability, we consider current market conditions as well as our intent with respect to holding or disposing of the asset. The intent with regards to the underlying assets might change as market conditions and other factors change. For office space ROU assets, the execution of a sublease where the remaining lease payments of the original office space lease exceed the sublease receipts reflects an indication of impairment which suggests the carrying value of the ROU asset may not be recoverable. Fair value is determined through various valuation techniques, including discounted cash flow models, applying a capitalization rate to estimated net operating income of a property, quoted market values and third-party appraisals, where considered necessary. The use of projected future cash flows is based on assumptions that are consistent with estimates of future expectations and the strategic plan used to manage our underlying business.

If our analysis indicates that the carrying value of the real estate asset and other long-lived assets is not recoverable on an undiscounted cash flow basis, we will recognize an impairment charge for the amount by which the carrying value exceeds the current estimated fair value of the real estate property.

Assumptions and estimates used in the recoverability analyses for future cash flows, discount rates and capitalization rates are complex and subjective. Changes in economic and operating conditions or our intent with respect to our investment that occur subsequent to our impairment analyses could impact these assumptions and result in future impairment of our real estate properties. During the three months ended March 31, 2025 and 2024, there were no impairment charges recorded to the carrying value of our properties.

Accounting for Leases

Leases as Lessor

We evaluate new leases originated or leases assumed as part of an acquisition transaction under ASC Topic 842: *Leases* to determine lease classification. Generally, all of our leases have historically been classified as operating leases. A lease is classified by a lessor as a sales-type lease if the significant risks and rewards of ownership reside with the tenant. This situation is met if, among other things, there is an automatic transfer of title during the lease, there is a purchase option that the tenant is reasonably certain to exercise, the lease term, including extension options that the tenant is reasonably certain to exercise, is for more than a major part of the remaining economic useful life of the asset (e.g., equal to or greater than 75%), if the present value of the minimum lease payments represents substantially all (e.g., equal to or greater than 90%) of the leased property’s fair value at lease inception, or if the asset is so specialized in nature that it provides no alternative use to the lessor (and therefore would not provide any future value to the lessor) after the lease term. Further, such new leases would be evaluated to consider whether they would be failed sale-leaseback transactions and accounted for as financing transactions by the lessor, if applicable. As of March 31, 2025 and December 31, 2024, we did not have any leases that were classified as sales-type or financing leases under sale-leaseback rules.

Leases as a Lessee

We determine if an arrangement is a lease at inception. Operating lease ROU assets are included in “Other assets” and lease liabilities are included in “Accounts payable, accrued expenses and other liabilities” in our consolidated balance sheets. ROU assets represent our right to use, or control the use of, a specified asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Because our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. Our lease terms may include options to extend the lease when it is reasonably certain that we will exercise that

option. Lease expense for lease payments is generally recognized on a straight-line basis over the term of the lease through the amortization of the ROU assets and lease liabilities. Additionally, for our operating leases, we do not separate non-lease components, such as common area maintenance, from associated lease components. See “Note 7 – Leases” for additional lessee disclosures required under lease accounting standards.

Income Taxes

We have elected to be taxed as a REIT under the Code commencing with our initial taxable year ended December 31, 2013. To qualify as a REIT, we are required (among other things) to distribute at least 90% of our REIT taxable income to our stockholders and meet the various other requirements imposed by the Code relating to matters such as operating results, asset holdings, distribution levels and diversity of stock ownership. Provided we qualify for taxation as a REIT, we are generally not subject to corporate-level income tax on the earnings distributed currently to our stockholders that we derive from our activities. If we fail to qualify as a REIT in any taxable year, and were unable to avail ourselves of certain savings provisions set forth in the Code, all of our taxable income would be subject to regular federal corporate income tax, including any applicable alternative minimum tax on our taxable income.

We own and may acquire direct or indirect interests in one or more entities that have elected or will elect to be taxed as REITs under the Code (each, a “Subsidiary REIT”). A Subsidiary REIT is subject to the various REIT qualification requirements and other limitations described herein that are applicable to us. If a Subsidiary REIT were to fail to qualify as a REIT, then (i) that Subsidiary REIT would become subject to regular federal corporate income tax, (ii) shares in such Subsidiary REIT would cease to be qualifying assets for purposes of the asset tests applicable to REITs, and (iii) it is possible that we would fail certain of the asset tests applicable to REITs, in which event we would fail to qualify as a REIT unless we could avail ourselves of certain relief provisions.

We are subject to taxation by various state and local jurisdictions, including those in which we transact business or reside. Our non-taxable subsidiaries, including our Operating Partnership, are either partnerships or disregarded entities for federal income tax purposes. Under applicable federal and state income tax rules, the allocated share of net income or loss from disregarded entities and flow-through entities such as partnerships is reportable in the income tax returns of the respective equity holders. Our taxable REIT subsidiary is a C-corporation subject to federal and state income tax. However, it has a cumulative unrecognized net operating loss carryforward. Accordingly, no income tax provision is included in the accompanying consolidated financial statements for the three months ended March 31, 2025 and 2024.

We periodically evaluate our tax positions to determine whether it is more likely than not that such positions would be sustained upon examination by a tax authority for all open tax years, as defined by the statute of limitations, based on their technical merits. As of March 31, 2025, and December 31, 2024, we have not established a liability for uncertain tax positions.

Derivative Instruments and Hedging Activities

We are exposed to certain risks arising from both our business operations and economic conditions. We principally manage our exposures to a wide variety of business and operational risks through management of our core business activities. We manage economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources and duration of our debt funding and through the use of derivative financial instruments. Specifically, we enter into derivative financial instruments to manage exposures that arise from business activities that result in the payment of future known and uncertain cash amounts, the value of which are determined by interest rates. Our derivative financial instruments are used to manage differences in the amount, timing and duration of our known or expected cash payments principally related to our borrowings.

In accordance with ASC Topic 815: *Derivatives and Hedging*, we record all derivatives on the balance sheet at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, and whether we have elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk in a fair value hedge or the earnings effect of the hedged forecasted transactions in a cash flow hedge. We may enter into derivative contracts that are intended to economically hedge certain risks, even though hedge accounting does not apply or we elect not to apply hedge accounting.

Our objectives in using interest rate derivatives are to add stability to interest expense and to manage exposure to interest rate movements. To accomplish this objective, we primarily use interest rate swaps as part of our interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for us making fixed-rate payments over the life of the agreements without exchange of the underlying notional value. From time to time, we also utilize cash flow hedges to lock U.S. Treasury rates in anticipation of future fixed-rate debt issuances (“treasury rate lock agreements”). The gains or losses resulting from changes in fair value of derivatives that qualify as cash flow hedges are recognized in accumulated other comprehensive income/(loss) (“AOCI”). Upon the termination of a derivative for which cash flow hedging was being applied, the balance, which was recorded in AOCI, is amortized to interest expense over the remaining contractual term of the derivative as long as the hedged forecasted transactions continue to be probable of occurring. Upon the settlement of treasury rate lock agreements, amounts remaining in AOCI are amortized through earnings over the underlying term of the hedged transaction. Cash payments made to terminate or settle interest rate derivatives are presented in cash flows provided by operating activities in the accompanying consolidated statements of cash flows, given the nature of the underlying cash flows that the derivative was hedging. See “Note 8 – Interest Rate Derivatives” for details.

Revenue Recognition

Our primary sources of income are rental income, management and leasing services, interest income and gains on sale of real estate.

Rental Income

We lease industrial space to tenants primarily under non-cancelable operating leases that generally contain provisions for minimum base rents plus reimbursement for certain operating expenses. Total minimum annual lease payments are recognized in rental income on a straight-line basis over the term of the related lease, regardless of when payments are contractually due, when collectability is probable. Rental revenue recognition commences when the tenant takes possession of or controls the physical use of the leased space. Lease termination fees, which are included in rental income, are recognized when the related leases are canceled and we have no continuing obligation to provide services to such former tenants.

Our lease agreements with tenants generally contain provisions that require tenants to reimburse us for certain property expenses. Estimated reimbursements from tenants for these property expenses, which include real estate taxes, insurance, common area maintenance and other recoverable operating expenses, are recognized as revenues in the period that the expenses are incurred. Subsequent to year-end, we perform final reconciliations on a lease-by-lease basis and bill or credit each tenant for any cumulative annual adjustments. As the timing and pattern of revenue recognition is the same and as the lease component would be classified as an operating lease if it were accounted for separately, rents and tenant reimbursements are treated as a combined lease component and presented as a single line item “Rental income” in our consolidated statements of operations.

We record revenues and expenses on a gross basis for lessor costs (which include real estate taxes) when these costs are reimbursed to us by our tenants. Conversely, we record revenues and expenses on a net basis for lessor costs when they are paid by our tenants directly to the taxing authorities on our behalf.

Management and Leasing Services

We provide property management services and leasing services to related party property owners, the customer, in exchange for fees and commissions. Property management services include performing property inspections, monitoring repairs and maintenance, negotiating vendor contracts, maintaining tenant relations and providing financial and accounting oversight. For these services, we earn monthly management fees, which are based on a fixed percentage of each managed property’s monthly tenant cash receipts. We have determined that control over the services is passed to the customer simultaneously as performance occurs. Accordingly, management fee revenue is earned as the services are provided to our customers.

Leasing commissions are earned when we provide leasing services that result in an executed lease with a tenant. We have determined that control over the services is transferred to the customer upon execution of each lease agreement. We earn leasing commissions based on a fixed percentage of rental income generated for each executed lease agreement and there is no variable income component.

Gain or Loss on Sale of Real Estate

We account for dispositions of real estate properties, which are considered nonfinancial assets, in accordance with ASC Topic 610-20: *Other Income—Gains and Losses from the Derecognition of Nonfinancial Assets* and recognize a gain or loss on sale of real estate upon transferring control of the nonfinancial asset to the purchaser, which is generally satisfied at the time of sale. If we were to conduct a partial sale of real estate by transferring a controlling interest in a nonfinancial asset, while

retaining a noncontrolling ownership interest, we would measure any noncontrolling interest received or retained at fair value, and recognize a full gain or loss. If we receive consideration before transferring control of a nonfinancial asset, we recognize a contract liability. If we transfer control of the asset before consideration is received, we recognize a contract asset.

When leases contain purchase options, we assess the probability that the tenant will execute the purchase option both at lease commencement and at the time the tenant communicates its intent to exercise the purchase option. If we determine the exercise of the purchase option is reasonably certain, we will account for the lease as a sales-type lease and derecognize the associated real estate assets on our balance sheet and record a gain or loss on sale of real estate.

Interest Income

Interest income on our loan receivable is recognized on an accrual basis over the life of the loan using the interest method. Loan origination fees, net of origination costs, are accreted or amortized over the term of the loan as an adjustment to interest income using the effective interest method. Generally, a loan is placed on nonaccrual status when delinquent for more than 90 days or when determined not to be probable of full collection. Interest income recognition is suspended when loans are placed on nonaccrual status. Interest accrued, but not collected, at the date loans are placed on nonaccrual status is reversed and subsequently recognized only to the extent it is received in cash or until it qualifies for return to accrual status. However, when there is doubt regarding the ultimate collectability of loan principal, all cash received is applied to reduce the carrying value of such loans. Loans are restored to accrual status only when contractually current or the collection of future payments is reasonably assured.

Valuation of Operating Lease Receivables

We may be subject to tenant defaults and bankruptcies that could affect the collection of outstanding receivables, including deferred rent receivables arising from the straight-line recognition of rental income, related to our operating leases. In order to mitigate these risks, we perform credit reviews and analyses on prospective tenants before significant leases are executed and on existing tenants before properties are acquired. On a quarterly basis, we perform an assessment of the collectability of operating lease receivables on a tenant-by-tenant basis, which includes reviewing the age and nature of our receivables, the payment history and financial condition of the tenant, our assessment of the tenant's ability to meet its lease obligations and the status of negotiations of any disputes with the tenant. Any changes in the collectability assessment for an operating lease is recognized as an adjustment, which can be a reduction or increase, to rental income in the consolidated statements of operations. As a result of our quarterly collectability assessments, we recognized \$2.3 million and \$1.7 million as a net reduction adjustment to rental income for the three months ended March 31, 2025 and 2024, respectively, in the consolidated statements of operations.

Loan Receivable

Our loan receivable is reflected at amortized cost in the consolidated balance sheets. The amortized cost of our loan receivable is the outstanding unpaid principal balance, net of unamortized costs and fees directly associated with the origination of the loan.

Accrued interest receivable related to our loan receivable is recorded at the net amount expected to be collected within "Rents and other receivables, net" in the consolidated balance sheets.

The current expected credit losses approach under ASC Topic 326: *Financial Instruments—Credit Losses* requires an estimate of the credit losses expected over the life of a loan. We assess the need for an allowance for credit losses related to our loan receivable and the related interest receivable by evaluating the following: (i) asset-specific risks, which include the nature of the collateral, current loan-to-value ratio and the potential future changes in the collateral's fair value, (ii) other relevant available information, from internal and external sources, relating to current conditions that may affect the borrower's ability to repay the loan upon maturity, such as the borrower's current financial condition and credit rating, and (iii) historical losses (adjusted for current conditions and reasonable and supportable forecasts) for financial assets secured with similar collateral (all taken together, the "credit loss evaluation criteria"). See "Note 5 – Loan Receivable" for details.

Deferred Leasing Costs

We capitalize the incremental direct costs of originating a lease that would not have been incurred had the lease not been executed. As a result, deferred leasing costs will generally only include third-party broker commissions.

Debt Issuance Costs

Debt issuance costs related to a recognized debt liability are presented in the balance sheet as a reduction from the carrying value of the debt liability. This offset against the debt liability is treated similarly to a debt discount, which effectively reduces the proceeds of a borrowing. For revolving credit facility arrangements, we present debt issuance costs as an asset and amortize the cost over the term of the line of credit arrangement. See “Note 6 – Notes Payable” for details.

Equity Based Compensation

We account for equity-based compensation in accordance with ASC Topic 718: *Compensation – Stock Compensation*. Total compensation cost for all share-based awards is based on the estimated fair market value of the equity instrument issued on the grant date. For share-based awards that vest based solely on a service condition, we recognize compensation cost on a straight-line basis over the total requisite service period for the entire award. For share-based awards with a performance and/or market measure, we recognize compensation cost over the requisite service period using the accelerated expense attribution method, with each vesting tranche valued as a separate award. For share-based awards that vest based on a performance condition, we recognize compensation cost based on the number of awards that are expected to vest based on the probable outcome of the performance condition. Compensation cost for these awards will be adjusted to reflect the number of awards that ultimately vest. For share-based awards that vest based on a market condition, failure to satisfy the market condition results in the forfeiture of units but does not result in the reversal of previously recognized compensation cost. Forfeitures (for all awards) are recognized in the period in which they occur. See “Note 13 – Incentive Award Plan” for details.

Equity Offerings

Underwriting commissions and offering costs incurred in connection with common stock offerings and our at-the-market equity offering programs have been reflected as a reduction of additional paid-in capital. Underwriting commissions and offering costs related to our preferred stock issuances have been reflected as a direct reduction of the preferred stock balance.

Under relevant accounting guidance, sales of our common stock under forward equity sale agreements (as discussed in “Note 12 – Stockholders’ Equity”) are not deemed to be liabilities, and furthermore, meet the derivatives and hedging guidance scope exception to be accounted for as equity instruments based on the following assessment: (i) none of the agreements’ exercise contingencies were based on observable markets or indices besides those related to the market for our own stock price and operations; and (ii) none of the settlement provisions precluded the agreements from being indexed to our own stock.

Earnings Per Share

We calculate earnings per share (“EPS”) in accordance with ASC Topic 260: *Earnings Per Share* (“ASC 260”). Under ASC 260, unvested share-based payment awards that contain non-forfeitable rights to dividends are participating securities and, therefore, are included in the computation of basic EPS pursuant to the two-class method. The two-class method determines EPS for each class of common stock and participating securities according to dividends declared (or accumulated) and their respective participation rights in undistributed earnings.

Basic EPS is calculated by dividing the net income (loss) attributable to common stockholders by the weighted average number of shares of common stock outstanding for the period.

Diluted EPS is calculated by dividing the net income (loss) attributable to common stockholders by the weighted average number of shares of common stock outstanding determined for the basic EPS computation plus the potential effect of any dilutive securities including shares issuable under forward equity sale agreements and unvested share-based awards under the treasury stock method. We include unvested shares of restricted stock and unvested LTIP units in the computation of diluted EPS by using the more dilutive of the two-class method or treasury stock method. We include unvested performance units as contingently issuable shares in the computation of diluted EPS once the market criteria are met, assuming that the end of the reporting period is the end of the contingency period. In addition, we include the exchangeable notes in the computation of diluted earnings per share if the effect is dilutive. Any anti-dilutive securities are excluded from the diluted EPS calculation. See “Note 14 – Earnings Per Share” for details.

Recent Accounting Pronouncements (Issued and Not Yet Adopted)

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* (“ASU 2024-03”). The amendments in ASU 2024-03 apply to all public business entities and require disclosure of specified information about certain costs and expenses. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim

periods within fiscal years beginning after December 15, 2027, with early adoption permitted. We are currently evaluating the potential impact of adopting ASU 2024-03.

In November 2024, the FASB issued ASU 2024-04, *Debt-Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments* (“ASU 2024-04”). The amendments in ASU 2024-04 clarify the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as an induced conversion. The new guidance is effective for annual reporting periods beginning after December 15, 2025, and interim periods within those annual periods. We are currently evaluating the potential impact of adopting ASU 2024-04.

3. Investments in Real Estate

Dispositions

The following table summarizes information related to the property that was sold during the three months ended March 31, 2025. We did not sell any properties during the three months ended March 31, 2024.

Property	Submarket	Date of Disposition	Rentable Square Feet	Contractual Sales Price ⁽¹⁾ (in thousands)	Gain Recorded (in thousands)
1055 Sandhill Avenue	Los Angeles - South Bay	3/28/2025	127,775	\$ 52,450	\$ 13,157
Total			127,775	\$ 52,450	\$ 13,157

(1) Represents the gross contractual sales price before commissions, prorations, credits and other closing costs.

Real Estate Held for Sale

As of March 31, 2025, our property located at 20 Icon in Lake Forest, California was classified as held for sale. As of December 31, 2024, we did not have any properties classified as held for sale.

The following table summarizes the major classes of assets and liabilities associated with real estate property classified as held for sale as of March 31, 2025 (dollars in thousands).

	March 31, 2025
Land	\$ 12,576
Building and improvements	8,429
Tenant improvements	1,331
Real estate held for sale	22,336
Accumulated depreciation	(4,349)
Real estate held for sale, net	17,987
Other assets associated with real estate held for sale	399
Total assets associated with real estate held for sale, net	\$ 18,386
Other liabilities associated with real estate held for sale	234
Total liabilities associated with real estate held for sale	\$ 234

Subsequent to March 31, 2025, we completed the sale of 20 Icon. See “Note 16 – Subsequent Events” for details.

4. Acquired Lease Intangibles

The following table summarizes our acquisition related intangible assets, including the value of in-place tenant leases, above-market tenant leases and a below-market ground lease, and our acquisition related intangible liabilities, including below-market tenant leases (in thousands):

	March 31, 2025	December 31, 2024
Acquired Lease Intangible Assets:		
In-place lease intangibles	\$ 404,322	\$ 411,567
Accumulated amortization	(261,397)	(252,147)
In-place lease intangibles, net	\$ 142,925	\$ 159,420
Above-market tenant leases		
Above-market tenant leases	\$ 50,691	\$ 51,225
Accumulated amortization	(23,648)	(21,695)
Above-market tenant leases, net	\$ 27,043	\$ 29,530
Below-market ground lease		
Below-market ground lease	\$ 12,976	\$ 12,976
Accumulated amortization	(500)	(459)
Below-market ground lease, net	\$ 12,476	\$ 12,517
Acquired lease intangible assets, net	\$ 182,444	\$ 201,467
Acquired Lease Intangible Liabilities:		
Below-market tenant leases	\$ (275,206)	\$ (280,840)
Accumulated amortization	138,545	133,367
Below-market tenant leases, net	\$ (136,661)	\$ (147,473)
Acquired lease intangible liabilities, net	\$ (136,661)	\$ (147,473)

The following table summarizes the amortization related to our acquired lease intangible assets and liabilities for the three months ended March 31, 2025 and 2024 (in thousands):

	Three Months Ended March 31,	
	2025	2024
In-place lease intangibles ⁽¹⁾	\$ 16,497	\$ 9,148
Net below-market tenant leases ⁽²⁾	\$ (8,326)	\$ (6,722)
Below-market ground leases ⁽³⁾	\$ 41	\$ 41

- (1) The amortization of in-place lease intangibles is recorded to depreciation and amortization expense in the consolidated statements of operations for the periods presented.
- (2) The amortization of net below-market tenant leases is recorded as an increase to rental income in the consolidated statements of operations for the periods presented.
- (3) The amortization of net below-market ground lease is recorded as an increase to property expenses in the consolidated statements of operations for the periods presented.

5. Loan Receivable

On October 26, 2023, in conjunction with the acquisition of the property located at 15801 West 1st Street, we issued a \$125.0 million loan to the seller that is securitized by an adjacent 150-acre industrial development site as well as two escrow reserve accounts that were funded with loan proceeds at closing (the “loan collateral”). The loan bears interest at 7.50% per annum, requires monthly interest-only payments with a balloon payment at maturity, and has an effective interest rate of 8.00% including loan origination costs and fees. The loan has a maturity date of October 26, 2028, with one 1-year extension available at the borrower’s option, subject to certain conditions plus the payment of a 0.25% extension fee. The loan allows for prepayment, in part or whole, with penalties ranging from 1.00% to 2.00% of the amount prepaid, depending on the timing of the prepayment. The loan also includes a right of first offer for us to acquire the underlying industrial development site in the future. As of March 31, 2025, the borrower was current on monthly interest payments.

As of March 31, 2025, the carrying value of the loan receivable was \$123.4 million, which reflects \$1.6 million of unamortized origination fees/costs. As of December 31, 2024, the carrying value of the loan receivable was \$123.2 million, which reflects \$1.8 million of unamortized origination fees/costs. Based on our current assessment of the credit loss evaluation criteria, we determined that the allowance for potential credit losses on our loan receivable is immaterial as of March 31, 2025 and December 31, 2024.

6. Notes Payable

The following table summarizes the components and significant terms of our indebtedness as of March 31, 2025 and December 31, 2024 (dollars in thousands):

	March 31, 2025	December 31, 2024	Margin Above SOFR	Interest Rate ⁽¹⁾	Contractual Maturity Date
Unsecured and Secured Debt					
Unsecured Debt:					
Revolving Credit Facility	\$ —	\$ —	S+0.725 % ⁽²⁾	5.235 % ⁽³⁾	5/26/2026 ⁽⁴⁾
\$400M Term Loan	400,000	400,000	S+0.800 % ⁽²⁾	4.872 % ⁽⁵⁾	7/18/2025 ⁽⁴⁾
\$100M Senior Notes	100,000	100,000	n/a	4.290 %	8/6/2025
\$575M Exchangeable Senior Notes due 2027	575,000	575,000	n/a	4.375 %	3/15/2027
\$300M Term Loan	300,000	300,000	S+0.800 % ⁽²⁾	3.717 % ⁽⁶⁾	5/26/2027
\$125M Senior Notes	125,000	125,000	n/a	3.930 %	7/13/2027
\$300M Senior Notes due 2028	300,000	300,000	n/a	5.000 %	6/15/2028
\$575M Exchangeable Senior Notes due 2029	575,000	575,000	n/a	4.125 %	3/15/2029
\$25M Series 2019A Senior Notes	25,000	25,000	n/a	3.880 %	7/16/2029
\$400M Senior Notes due 2030	400,000	400,000	n/a	2.125 %	12/1/2030
\$400M Senior Notes due 2031	400,000	400,000	n/a	2.150 %	9/1/2031
\$75M Series 2019B Senior Notes	75,000	75,000	n/a	4.030 %	7/16/2034
Total Unsecured Debt	\$ 3,275,000	\$ 3,275,000			
Secured Debt:					
\$60M Term Loan ⁽⁷⁾	60,000	60,000	S+1.250 %	5.060 % ⁽⁷⁾	10/27/2025 ⁽⁷⁾
701-751 Kingshill Place ⁽⁸⁾	6,818	6,852	n/a	3.900 %	1/5/2026
13943-13955 Balboa Boulevard ⁽⁸⁾	14,115	14,213	n/a	3.930 %	7/1/2027
2205 126th Street ⁽⁹⁾	5,200	5,200	n/a	3.910 %	12/1/2027
2410-2420 Santa Fe Avenue ⁽⁹⁾	10,300	10,300	n/a	3.700 %	1/1/2028
11832-11954 La Cienega Boulevard ⁽⁸⁾	3,751	3,772	n/a	4.260 %	7/1/2028
Gilbert/La Palma ⁽⁸⁾	1,485	1,538	n/a	5.125 %	3/1/2031
7817 Woodley Avenue ⁽⁸⁾	2,714	2,747	n/a	4.140 %	8/1/2039
Total Secured Debt	\$ 104,383	\$ 104,622			
Total Unsecured and Secured Debt	\$ 3,379,383	\$ 3,379,622			
Less: Unamortized premium/discount and debt issuance costs ⁽¹⁰⁾	(31,323)	(33,660)			
Total	\$ 3,348,060	\$ 3,345,962			

- (1) Reflects the contractual interest rate under the terms of each loan as of March 31, 2025, and includes the effect of interest rate swaps that were effective as of March 31, 2025. The interest rate is not adjusted to include the amortization of debt issuance costs or unamortized fair market value premiums and discounts.
- (2) As of March 31, 2025, the interest rates on these loans are comprised of daily Secured Overnight Financing Rate ("SOFR") for both the unsecured revolving credit facility and \$400.0 million unsecured term loan, and 1-month term SOFR ("Term SOFR") for the \$300.0 million unsecured term loan (in each case increased by a 0.10% SOFR adjustment), plus an applicable margin of 0.725% per annum for the unsecured revolving credit facility and 0.80% per annum for the \$300.0 million and \$400.0 million unsecured term loans, and a sustainability-related rate adjustment of zero. These loans are also subject to a 0% SOFR floor.
- (3) The unsecured revolving credit facility is subject to an applicable facility fee which is calculated as a percentage of the total lenders' commitment amount, regardless of usage. As of March 31, 2025, the applicable facility fee is 0.125% per annum with a sustainability-related rate adjustment of zero.
- (4) The unsecured revolving credit facility has two six-month extensions and the \$400.0 million unsecured term loan has one remaining one-year extension available at the borrower's option, subject to certain terms and conditions.

- (5) Daily SOFR for our \$400.0 million unsecured term loan has been swapped to a fixed rate of 3.97231%, resulting in an all-in fixed rate of 4.87231% after adding the SOFR adjustment, applicable margin and sustainability-related rate adjustment.
- (6) Term SOFR for our \$300.0 million unsecured term loan has been swapped to a fixed rate of 2.81725%, resulting in an all-in fixed rate of 3.71725% after adding the SOFR adjustment, applicable margin and sustainability-related rate adjustment.
- (7) The loan is secured by six properties and has two remaining one-year extensions available at the borrower's option, subject to certain terms and conditions. Loan has interest-only payment terms bearing interest at Term SOFR increased by a 0.10% SOFR adjustment plus an applicable margin of 1.25% per annum. Term SOFR for this loan has been swapped to a fixed rate of 3.710%, resulting in an all-in fixed rate of 5.060% after adding the SOFR adjustment and applicable margin.
- (8) Fixed monthly payments of interest and principal until maturity as follows: 701-751 Kingshill Place (\$33,488), 13943-13955 Balboa Boulevard (\$79,198), 11832-11954 La Cienega Boulevard (\$20,194), Gilbert/La Palma (\$24,008) and 7817 Woodley Avenue (\$20,855).
- (9) Fixed monthly payments of interest only.
- (10) Excludes unamortized debt issuance costs related to our unsecured revolving credit facility, which are presented in the line item "Deferred loan costs, net" in the consolidated balance sheets.

Contractual Debt Maturities

The following table summarizes the contractual debt maturities and scheduled amortization payments, excluding debt premiums/discounts and debt issuance costs, as of March 31, 2025, and does not consider unexercised extension options available to us as noted in the table above (in thousands):

April 1, 2025 - December 31, 2025	\$	560,734
2026		7,587
2027		1,019,078
2028		314,218
2029		600,427
Thereafter		877,339
Total	\$	3,379,383

Exchangeable Senior Notes

In March 2024, we issued \$575.0 million in aggregate principal amount of 4.375% exchangeable senior unsecured notes due 2027 (the "2027 Exchangeable Notes") and \$575.0 million in aggregate principal amount of 4.125% exchangeable senior unsecured notes due 2029 (the "2029 Exchangeable Notes" and together with the 2027 Exchangeable Notes, the "Exchangeable Notes"). The 2027 Exchangeable Notes will mature on March 15, 2027 and the 2029 Exchangeable Notes will mature on March 15, 2029, in each case unless earlier repurchased, exchanged or (in the case of 2029 Exchangeable Notes) redeemed.

As of March 31, 2025 and December 31, 2024, the net carrying amount of the 2027 Exchangeable Notes was \$566.8 million and \$565.9 million, respectively, with unamortized debt discount and issuance costs of \$8.2 million and \$9.1 million, respectively. As of March 31, 2025 and December 31, 2024, the net carrying amount of the 2029 Exchangeable Notes was \$565.2 million and \$564.6 million, respectively, with unamortized debt discount and issuance costs of \$9.8 million and \$10.4 million, respectively.

Interest on the Exchangeable Notes is payable semiannually on March 15 and September 15 of each year beginning on September 15, 2024. For the three months ended March 31, 2025 and 2024, total interest expense on the Exchangeable Notes was \$13.8 million and \$0.5 million, with coupon interest of \$12.2 million and \$0.4 million, and amortization of debt discount and issuance costs of \$1.6 million and \$0.1 million, respectively.

Before December 15, 2026 (in the case of the 2027 Exchangeable Notes) or December 15, 2028 (in the case of the 2029 Exchangeable Notes), noteholders will have the right to exchange their notes only upon the occurrence of certain events. From and after December 15, 2026 (in the case of the 2027 Exchangeable Notes) or December 15, 2028 (in the case of the 2029 Exchangeable Notes), noteholders may exchange their notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date of the applicable series of Exchangeable Notes. Exchanges

will be settled by delivering cash up to the principal amount of the Exchangeable Notes exchanged, and in respect of the remainder of the exchanged value, if any, in excess thereof, in cash or in a combination of cash and shares of our common stock, at our option. The initial exchange rate is 15.7146 shares of our common stock per \$1,000 principal amount of the Exchangeable Notes, which represents an initial exchange price of approximately \$63.64 per share of our common stock.

We may not redeem the 2027 Exchangeable Notes at our option prior to their maturity. The 2029 Exchangeable Notes will be redeemable, in whole or in part (subject to certain limitations), for cash at our option at any time, and from time to time, on or after May 20, 2027 and on or before the 41st scheduled trading day immediately before the maturity date of the 2029 Exchangeable Notes, but only if the last reported sale price per share of our common stock exceeds 130% of the exchange price of the 2029 Exchangeable Notes for a specified period of time and certain other conditions are satisfied. The redemption price will be equal to the principal amount of the 2029 Exchangeable Notes to be redeemed, plus accrued and unpaid interest, if any.

In connection with the offering for each series of Exchangeable Notes, we entered into a registration rights agreement pursuant to which we agreed to register the resale of the shares of our common stock, if any, deliverable upon exchange of the Exchangeable Notes. If certain conditions relating to our obligations under the registration rights agreement are not satisfied, then we will pay additional interest on the applicable series of Exchangeable Notes. We account for such additional interest amounts as contingent obligations in accordance with ASC Subtopic 825-20: *Financial Instrument - Registration Payment Arrangements*, which are measured separately in accordance with ASC Subtopic 450-20: *Loss Contingencies*. Because payment of such additional interest amounts was not probable as of March 31, 2025, we have not recognized a liability as of March 31, 2025.

Credit Agreement

As of March 31, 2025, under the Fourth Amended and Restated Credit Agreement (the “Credit Agreement”), we have a \$1.0 billion unsecured revolving credit facility (the “Revolver”), which also allows us to issue letters of credit up to an aggregate amount not to exceed \$100.0 million, a \$300.0 million unsecured term loan facility (the “\$300 Million Term Loan”) and a \$400.0 million unsecured term loan facility (the “\$400 Million Term Loan”) and together with the \$300 Million Term Loan, the “Term Facility”). Subject to certain terms and conditions set forth in the Credit Agreement, we may request additional lender commitments and increase the size of the Credit Agreement by an additional \$800.0 million, which may be comprised of additional revolving commitments under the Revolver, an increase to the Term Facility, additional term loan tranches or any combination of the foregoing.

The Revolver is scheduled to mature on May 26, 2026 and has two six-month extension options available. The \$400 Million Term Loan is scheduled to mature on July 18, 2025 and has one remaining one-year extension option available. The \$300 Million Term Loan matures on May 26, 2027.

Interest on the Credit Agreement is generally to be paid based upon, at our option, either (i) Term SOFR plus the applicable margin; (ii) daily SOFR plus the applicable margin or (iii) the applicable base rate (which is defined as the highest of (a) the federal funds rate plus 0.50%, (b) the administrative agent’s prime rate, (c) Term SOFR plus 1.00%, and (d) one percent (1.00%) plus the applicable margin). Additionally, Term SOFR and daily SOFR will be increased by a 0.10% SOFR adjustment. The applicable margin for the Term Facility ranges from 0.80% to 1.60% per annum for SOFR-based loans and 0.00% to 0.60% per annum for base rate loans, depending on our leverage ratio and investment grade ratings. The applicable margin for the Revolver ranges from 0.725% to 1.400% per annum for SOFR-based loans and letters of credit and 0.00% to 0.40% per annum for base rate loans, depending on our leverage ratio and investment grade ratings. In addition to the interest payable on amounts outstanding under the Revolver, we are required to pay an applicable credit facility fee, on each lender's commitment amount under the Revolver, regardless of usage. The applicable credit facility fee ranges from 0.125% to 0.300% per annum, depending on our leverage ratio and investment grade ratings.

In addition, the Credit Agreement also features a sustainability-linked pricing component that can periodically adjust the applicable margin by -0.04%, zero or 0.04% and adjust the applicable credit facility fee by -0.01%, zero or 0.01%, depending on our achievement of the annual sustainability performance metric. As of March 31, 2025, the sustainability-linked pricing adjustment was zero for both the applicable margin and credit facility fee.

The Revolver and the Term Facility may be voluntarily prepaid in whole or in part at any time without premium or penalty. Amounts borrowed under the Term Facility and repaid or prepaid may not be reborrowed.

The Credit Agreement contains usual and customary events of default including defaults in the payment of principal, interest or fees, defaults in compliance with the covenants set forth in the Credit Agreement and other loan documentation, cross-defaults to certain other indebtedness, and bankruptcy and other insolvency defaults. If an event of default occurs and is continuing under the Credit Agreement, the unpaid principal amount of all outstanding loans, together with all accrued unpaid interest and other amounts owing in respect thereof, may be declared immediately due and payable.

As of March 31, 2025, we did not have any borrowings outstanding under the Revolver and had \$5.0 million outstanding in letters of credit that reduced our borrowing capacity, leaving \$995.0 million available for future borrowings.

Debt Covenants

The Credit Agreement, \$60.0 million term loan facility (the "\$60 Million Term Loan"), \$100.0 million unsecured guaranteed senior notes (the "\$100 Million Notes"), \$125.0 million unsecured guaranteed senior notes (the "\$125 Million Notes") and \$25.0 million unsecured guaranteed senior notes and \$75.0 million unsecured guaranteed senior notes (together the "Series 2019A and 2019B Notes") all include a series of financial and other covenants that we must comply with, including the following covenants which are tested on a quarterly basis:

- Maintaining a ratio of total indebtedness to total asset value of not more than 60%;
- For the Credit Agreement and \$60 Million Term Loan, maintaining a ratio of secured debt to total asset value of not more than 45%;
- For the \$100 Million Notes, \$125 Million Notes and Series 2019A and 2019B Notes (together the "Senior Notes"), maintaining a ratio of secured debt to total asset value of not more than 40%;
- For the Senior Notes, maintaining a ratio of total secured recourse debt to total asset value of not more than 15%;
- For the Senior Notes, maintaining a minimum tangible net worth of at least the sum of (i) \$760,740,750, and (ii) an amount equal to at least 75% of the net equity proceeds received by the Company after September 30, 2016;
- Maintaining a ratio of adjusted EBITDA (as defined in each of the loan agreements) to fixed charges of at least 1.5 to 1.0;
- For the Credit Agreement and Senior Notes, maintaining a ratio of total unsecured debt to total unencumbered asset value of not more than 60%; and
- For the Credit Agreement and Senior Notes, maintaining a ratio of unencumbered NOI (as defined in each of the loan agreements) to unsecured interest expense of at least 1.75 to 1.00.

The \$300.0 million of 5.000% Senior Notes due 2028, \$400.0 million of 2.125% Senior Notes due 2030 and \$400.0 million of 2.150% Senior Notes due 2031 (together the "Registered Notes") contain the following covenants (as defined in the indentures) that we must comply with:

- Maintaining a ratio of total indebtedness to total asset value of not more than 60%;
- Maintaining a ratio of secured debt to total asset value of not more than 40%;
- Maintaining a Debt Service Coverage Ratio of at least 1.5 to 1.0; and
- Maintaining a ratio of unencumbered assets to unsecured debt of at least 1.5 to 1.0.

Subject to the terms of the Credit Agreement, \$60 Million Term Loan, Senior Notes and Registered Notes, upon certain events of default, including, but not limited to, (i) a default in the payment of any principal or interest, (ii) a default in the payment of certain of our other indebtedness and (iii) a default in compliance with the covenants set forth in the debt agreement, the principal and accrued and unpaid interest on the outstanding debt may be declared immediately due and payable at the option of the administrative agent, lenders, trustee and/or noteholders, as applicable, and in the event of bankruptcy and other insolvency defaults, the principal and accrued and unpaid interest on the outstanding debt will become immediately due and payable. In addition, we are required to maintain at all times a credit rating on the Senior Notes from either Standard and Poor's Ratings Services ("S&P"), Moody's Investors Services ("Moody's") or Fitch Ratings. Our credit ratings as of March 31, 2025, were BBB+ from S&P, BBB+ from Fitch Ratings and Baa2 from Moody's.

We were in compliance with all of our required quarterly financial debt covenants as of March 31, 2025.

7. Leases

Lessor

We lease industrial space to tenants primarily under non-cancelable operating leases that generally contain provisions for minimum base rents plus reimbursement for certain operating expenses. Total minimum lease payments are recognized in rental income on a straight-line basis over the term of the related lease and estimated reimbursements from tenants for real estate taxes, insurance, common area maintenance and other recoverable operating expenses are recognized in rental income in the period that the expenses are incurred.

For the three months ended March 31, 2025, we recognized \$240.5 million of rental income related to operating lease payments, of which \$197.8 million are for fixed lease payments and \$42.7 million are for variable lease payments, respectively. For the comparable three month-period ended March 31, 2024, we recognized \$204.3 million of rental income related to operating lease payments, of which \$167.8 million were for fixed lease payments and \$36.5 million were for variable lease payments, respectively.

The following table sets forth the undiscounted cash flows for future minimum base rents to be received under operating leases as of March 31, 2025 (in thousands):

Twelve Months Ended March 31,		
2026	\$	718,336
2027		621,743
2028		507,823
2029		398,652
2030		288,718
Thereafter		787,836
Total	\$	<u>3,323,108</u>

The future minimum base rents in the table above excludes tenant reimbursements of operating expenses, amortization of adjustments for deferred rent receivables and the amortization of above/below-market lease intangibles.

Lessee

We lease office space as part of conducting our day-to-day business. As of March 31, 2025, our office space leases have current remaining lease terms ranging from approximately one year to three years with options to renew for an additional term of three to five years each. As of March 31, 2025, we also have a ground lease which we assumed in the acquisition of 2970 East 50th Street in March 2022 that has a current remaining lease term of approximately 36 years and four additional ten-year options to renew.

As of March 31, 2025, total ROU assets and lease liabilities were approximately \$7.7 million and \$9.3 million, respectively. As of December 31, 2024, total ROU assets and lease liabilities were approximately \$7.9 million and \$9.7 million, respectively.

The tables below present financial and supplemental information associated with our leases.

Lease Cost⁽¹⁾ (in thousands)	Three Months Ended March 31,	
	2025	2024
Operating lease cost	\$ 404	\$ 415
Variable lease cost	33	43
Sublease income	(32)	—
Total lease cost	\$ 405	\$ 458

(1) Amounts are included in “General and administrative” and “Property expenses” in the accompanying consolidated statements of operations.

Other Information (in thousands)	Three Months Ended March 31,	
	2025	2024
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 462	\$ 572

Lease Term and Discount Rate	March 31, 2025	December 31, 2024
Weighted-average remaining lease term ⁽¹⁾	41.5 years	40.2 years
Weighted-average discount rate ⁽²⁾	4.11 %	4.10 %

(1) Includes the impact of extension options that we are reasonably certain to exercise.

(2) Because the rate implicit in each of our leases was not readily determinable, we used our incremental borrowing rate. In determining our incremental borrowing rate for each lease, we considered recent rates on secured borrowings, observable risk-free interest rates and credit spreads correlating to our creditworthiness, the impact of collateralization and the term of each of our lease agreements.

The following table summarizes the maturity of operating lease liabilities under our corporate office leases and ground leases as of March 31, 2025 (in thousands):

	March 31, 2025
April 1, 2025 - December 31, 2025	\$ 1,228
2026	1,748
2027	1,798
2028	542
2029	164
Thereafter	19,723
Total undiscounted lease payments	\$ 25,203
Less imputed interest	(15,855)
Total lease liabilities	\$ 9,348

8. Interest Rate Derivatives

The following table sets forth a summary of the terms and fair value of our interest rate swaps at March 31, 2025 and December 31, 2024 (dollars in thousands). We record all derivative instruments on a gross basis in the consolidated balance sheets, and accordingly, there are no offsetting amounts that net assets against liabilities.

Derivative Instrument	Effective Date	Maturity Date	Interest Strike Rate	Notional Value ⁽¹⁾		Fair Value of Interest Rate Derivative Assets/(Derivative Liabilities) ⁽²⁾	
				March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
				Interest Rate Swaps	7/27/2022	5/26/2027	2.81700 %
Interest Rate Swaps	7/27/2022	5/26/2027	2.81750 %	\$ 150,000	\$ 150,000	\$ 2,601	\$ 4,074
Interest Rate Swaps	4/3/2023	6/30/2025	3.98500 %	\$ 200,000	\$ 200,000	\$ 147	\$ 233
Interest Rate Swap	4/3/2023	6/30/2025	3.96625 %	\$ 100,000	\$ 100,000	\$ 78	\$ 126
Interest Rate Swap	4/3/2023	6/30/2025	3.95300 %	\$ 100,000	\$ 100,000	\$ 82	\$ 132
Interest Rate Swap	4/3/2023	7/30/2026	3.71000 %	\$ 60,000	\$ 60,000	\$ 67	\$ 298

(1) Represents the notional value of swaps that are effective as of the balance sheet date presented.

(2) The fair value of derivative assets is included in the line item "Interest rate swap asset" in the accompanying consolidated balance sheets.

Our interest rate swaps are designated and qualify as cash flow hedges. We do not use derivatives for trading or speculative purposes. The change in fair value of derivatives designated and qualifying as cash flow hedges is initially recorded in AOCI and is subsequently reclassified from AOCI into earnings in the period that the hedged forecasted transactions affect earnings. The following table sets forth the impact of our interest rate swaps on our financial statements for the periods presented (in thousands):

	Three Months Ended March 31,	
	2025	2024
Interest Rate Swaps in Cash Flow Hedging Relationships:		
Amount of (loss) gain recognized in AOCI on derivatives	\$ (1,769)	\$ 10,361
Amount of gain reclassified from AOCI into earnings under "Interest expense" ⁽¹⁾	\$ 1,516	\$ 3,382
Total interest expense presented in the Consolidated Statement of Operations in which the effects of cash flow hedges are recorded (line item "Interest expense")	\$ 27,288	\$ 14,671

(1) Includes amounts that are being amortized from AOCI into interest expense on a straight-line basis related to (i) the treasury rate lock agreements that were settled in August 2021 and March 2023 and for which amounts will continue to be reclassified over the ten-year and five-year terms of the hedged transactions and (ii) the interest rate swap that was terminated in May 2022 for which amounts were reclassified into interest expense through its original maturity date of November 2024.

As of March 31, 2025, we estimate that approximately \$3.4 million of net unrealized gains will be reclassified from AOCI into earnings as a net decrease to interest expense over the next twelve months.

Credit-risk-related Contingent Features

Certain of our agreements with our derivative counterparties contain a provision where if we default on any of our indebtedness, including default where repayment of the indebtedness has not been accelerated by the lender within a specified time period, then we could also be declared in default on its derivative obligations.

Certain of our agreements with our derivative counterparties contain provisions where if a merger or acquisition occurs that materially changes our creditworthiness in an adverse manner, we may be required to fully collateralize our obligations under the derivative instrument.

9. Fair Value Measurements

ASC Topic 820: *Fair Value Measurement* (“ASC 820”) defines fair value and establishes a framework for measuring fair value. ASC 820 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, ASC 820 establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity’s own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability, which are typically based on an entity’s own assumptions, as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Recurring Measurements – Interest Rate Swaps

We use interest rate swap agreements to manage our interest rate risk. The valuation of these instruments is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves.

To comply with the provisions of ASC 820, we incorporate credit valuation adjustments to appropriately reflect both our own nonperformance risk and the respective counterparty’s nonperformance risk in the fair value measurements. In adjusting the fair value of our derivative contracts for the effect of nonperformance risk, we have considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees.

Although we have determined that the majority of the inputs used to value our derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with our derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by ourselves and our counterparties. However, we have assessed the significance of the impact of the credit valuation adjustments on the overall valuation of our derivative positions and have determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives. As a result, we have determined that its derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy.

The table below sets forth the estimated fair value of our interest rate swaps as of March 31, 2025 and December 31, 2024, which we measure on a recurring basis by level within the fair value hierarchy (in thousands).

	Fair Value Measurement Using			
	Total Fair Value	Quoted Price in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<i>March 31, 2025</i>				
Interest rate swap asset	\$ 5,580	\$ —	\$ 5,580	\$ —
<i>December 31, 2024</i>				
Interest rate swap asset	\$ 8,942	\$ —	\$ 8,942	\$ —

Financial Instruments Disclosed at Fair Value

The carrying amounts of cash and cash equivalents, rents and other receivables, other assets, accounts payable, accrued expenses and other liabilities, and tenant security deposits approximate fair value because of their short-term nature.

The fair value of our loan receivable was estimated by calculating the present value of principal and interest payments, using discount rates that best reflect current market rates for financings with similar characteristics and credit quality, and based on certain assumptions regarding the collection of principal and interest.

The fair value of our notes payable was estimated by calculating the present value of principal and interest payments, using discount rates that best reflect current market rates for financings with similar characteristics and credit quality, and assuming each loan is outstanding through its respective contractual maturity date.

The table below sets forth the carrying value and the estimated fair value of our loan receivable and notes payable as of March 31, 2025 and December 31, 2024 (in thousands).

	Fair Value Measurement Using				Carrying Value
	Total Fair Value	Quoted Price in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Loan Receivable at:					
March 31, 2025	\$ 128,440	\$ —	\$ —	\$ 128,440	\$ 123,359
December 31, 2024	\$ 126,948	\$ —	\$ —	\$ 126,948	\$ 123,244
Notes Payable at:					
March 31, 2025	\$ 3,262,167	\$ —	\$ —	\$ 3,262,167	\$ 3,348,060
December 31, 2024	\$ 3,258,378	\$ —	\$ —	\$ 3,258,378	\$ 3,345,962

10. Related Party Transactions

Howard Schwimmer

We engage in transactions with Howard Schwimmer, our Co-Chief Executive Officer, earning management fees and leasing commissions from entities controlled individually by Mr. Schwimmer. Fees and commissions earned from these entities are included in "Management and leasing services" in the consolidated statements of operations. We recorded \$0.1 million and \$0.1 million for the three months ended March 31, 2025 and 2024, respectively, in management and leasing services revenue.

11. Commitments and Contingencies

Legal

From time to time, we are party to various lawsuits, claims and legal proceedings that arise in the ordinary course of business. We are not currently a party to any legal proceedings that we believe would reasonably be expected to have a material adverse effect on our business, financial condition or results of operations.

Environmental

We will generally perform environmental site assessments at properties we are considering acquiring. After the acquisition of such properties, we continue to monitor the properties for the presence of hazardous or toxic substances. From time to time, we acquire properties with known adverse environmental conditions. If at the time of acquisition, losses associated with environmental remediation obligations are probable and can be reasonably estimated, we record a liability.

As of March 31, 2025, we are not aware of any environmental liabilities that would have a material impact on our consolidated financial condition, results of operations or cash flows. However, we cannot be sure that we have identified all environmental liabilities at our properties, that all necessary remediation actions have been or will be undertaken at our properties or that we will be indemnified, in full or at all, in the event that such environmental liabilities arise. Furthermore, we cannot assure you that future changes to environmental laws or regulations and their application will not give rise to loss contingencies for future environmental remediation.

Tenant and Construction Related Commitments

As of March 31, 2025, we had commitments of approximately \$121.3 million for tenant improvement and construction work under the terms of leases with certain of our tenants and contractual agreements with our construction vendors.

Letters of Credit Related to Captive Insurance Subsidiary

We have the right to issue letters of credit under the Revolver up to an aggregate amount not to exceed \$100.0 million, which reduces the credit availability under the Revolver. As of March 31, 2025, we had a \$5.0 million letter of credit outstanding, which was originally issued on May 31, 2024, to capitalize a new wholly-owned captive insurance subsidiary through which we indirectly manage a portion of our earthquake insurance.

Concentrations of Credit Risk

We have deposited cash with financial institutions that are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. Although from time to time we have deposits at institutions in excess of federally insured limits, we do not believe we are exposed to significant credit risk due to the financial position and high credit quality of the institutions in which those deposits are held.

Concentration of Properties in Southern California

As of March 31, 2025, all of our properties are located in the Southern California infill markets. The ability of the tenants to honor the terms of their respective leases is dependent upon the economic, regulatory and social factors affecting the markets in which the tenants operate and other conditions.

Tenant Concentration

During the three months ended March 31, 2025, no single tenant accounted for more than 5% of our total consolidated rental income.

12. Stockholders' Equity

Preferred Stock

At March 31, 2025 and December 31, 2024, we had the following series of Cumulative Preferred Shares ("Preferred Stock") outstanding (dollars in thousands):

Series	Earliest Redemption Date	Dividend Rate	March 31, 2025		December 31, 2024	
			Shares Outstanding	Liquidation Preference	Shares Outstanding	Liquidation Preference
Series B	November 13, 2022	5.875 %	3,000,000	\$ 75,000	3,000,000	\$ 75,000
Series C	September 20, 2024	5.625 %	3,450,000	86,250	3,450,000	86,250
Total Preferred Shares			6,450,000	\$ 161,250	6,450,000	\$ 161,250

Common Stock

ATM Programs

On February 17, 2023, we established an at-the-market equity offering program pursuant to which we are able to sell from time to time shares of our common stock having an aggregate sales price of up to \$1.25 billion (the "ATM program").

In connection with the ATM program, we may sell shares of our common stock directly through sales agents or we may enter into forward equity sale agreements with certain financial institutions acting as forward purchasers whereby, at our discretion, the forward purchasers may borrow and sell shares of our common stock under the ATM program. The use of a forward equity sale agreement allows us to lock in a share price on the sale of shares of our common stock at the time the agreement is executed but defer settling the forward equity sale agreements and receiving the proceeds from the sale of shares until a later date. Additionally, the forward price that we expect to receive upon physical settlement of an agreement will be subject to adjustment for (i) a floating interest rate factor equal to a specified daily rate less a spread, (ii) the forward purchaser's stock borrowing costs and (iii) scheduled dividends during the term of the agreement.

During the three months ended March 31, 2025, we did not sell any shares of common stock directly through sales agents or enter into forward equity sale agreements under the ATM Program.

As of March 31, 2025, approximately \$927.4 million of common stock remains available to be sold under the ATM Program. Future sales, if any, will depend on a variety of factors, including among others, market conditions, the trading price of our common stock, determinations by us of the appropriate sources of funding for us and potential uses of funding available to us.

Settlement of March 2024 Forward Sale Agreement

In March 2024, we entered into a forward equity sale agreement with a financial institution acting as forward purchaser in connection with an underwritten public offering of 17,179,318 shares of common stock (the "March 2024 Forward Sale Agreement"), pursuant to which, the forward purchaser borrowed and sold an aggregate of 17,179,318 shares of common stock in the offering. We did not receive any proceeds from the sale of common shares by the forward purchaser at the time of the offering. During 2024, we partially settled the March 2024 Forward Sale Agreement by issuing 7,402,550 shares of common stock leaving a remaining 9,776,768 shares of common stock for settlement as of December 31, 2024.

During the three months ended March 31, 2025, we settled the remaining portion of the March 2024 Forward Sale Agreement by issuing the remaining 9,776,768 shares of common stock for net proceeds of \$478.0 million, based on a weighted average forward price of \$48.89 per share at settlement.

Stock Repurchase Program

On February 3, 2025, our board of directors authorized a stock repurchase program for up to \$300.0 million of our outstanding common stock (the "Stock Repurchase Program"). Under the Stock Repurchase Program, we may purchase our shares from time to time in the open market, in privately negotiated transactions or in other transactions as permitted by federal securities laws. The amount and timing of the purchase will depend on a number of factors including the price and availability of our shares, trading volume and general market conditions. The Stock Repurchase Program expires on February 3, 2027. As of March 31, 2025, no shares had been purchased under the Stock Repurchase Program.

Changes in Accumulated Other Comprehensive Income (Loss)

The following table summarizes the changes in our AOCI balance for the three months ended March 31, 2025 and 2024, which consists solely of adjustments related to our cash flow hedges (in thousands):

	Three Months Ended March 31,	
	2025	2024
Accumulated other comprehensive income - beginning balance	\$ 6,746	\$ 7,172
Other comprehensive (loss) income before reclassifications	(1,769)	10,361
Amounts reclassified from accumulated other comprehensive income to interest expense	(1,516)	(3,382)
Net current period other comprehensive (loss) income	(3,285)	6,979
Less: other comprehensive loss (income) attributable to noncontrolling interests	121	(229)
Other comprehensive (loss) income attributable to common stockholders	(3,164)	6,750
Accumulated other comprehensive income - ending balance	<u>\$ 3,582</u>	<u>\$ 13,922</u>

Noncontrolling Interests

Noncontrolling interests relate to interests in the Operating Partnership, represented by common units of partnership interests in the Operating Partnership (“OP Units”), fully-vested LTIP units, fully-vested performance units and our three series of preferred units of partnership interest in the Operating Partnership (comprised of 4.43937%, 4.00% and 3.00% cumulative redeemable convertible preferred units of partnership interest in the Operating Partnership (the “CPOP Units”).

Series 2 CPOP Units

On March 6, 2025, we exercised our right to convert the outstanding 904,583 4.00% Cumulative Redeemable Convertible Preferred Units (the “Series 2 CPOP Units”) of partnership interest in the Operating Partnership into 1,004,084 OP Units. In connection with the conversion of the Series 2 CPOP Units, we paid the holders a prorated cash distribution of \$0.3 million for the period from January 1, 2025 through March 5, 2025.

Operating Partnership Units

As of March 31, 2025, noncontrolling interests included 6,177,249 OP Units, 1,260,083 fully-vested LTIP units and 1,262,969 fully-vested performance units, and represented approximately 3.6% of our Operating Partnership (excluding CPOP Units). OP Units and shares of our common stock have essentially the same economic characteristics, as they share equally in the total net income or loss and distributions of our Operating Partnership. Investors who own OP Units have the right to cause our Operating Partnership to redeem any or all of their units in our Operating Partnership for an amount of cash per unit equal to the then current market value of one share of common stock, or, at our election, shares of our common stock on a one-for-one basis. See “Note 13 – Incentive Award Plan” for a description of LTIP units and Performance Units.

During the three months ended March 31, 2025, 894,524 OP Units were converted into an equivalent number of shares of common stock, resulting in the reclassification of \$37.1 million of noncontrolling interest to Rexford Industrial Realty, Inc.’s stockholders’ equity.

13. Incentive Award Plan

Third Amended and Restated 2013 Incentive Award Plan

We maintain one share-based incentive plan, the Third Amended and Restated Rexford Industrial Realty, Inc. and Rexford Industrial Realty, L.P. 2013 Incentive Award Plan (the “Plan”), pursuant to which, we may make grants of restricted stock, LTIP units of partnership interest in our Operating Partnership (“LTIP Units”), performance units in our Operating Partnership (“Performance Units”), dividend equivalents and other stock based and cash awards to our non-employee directors, employees and consultants.

The Plan is administered by our board of directors with respect to awards to non-employee directors and by our compensation committee with respect to other participants, each of which may delegate its duties and responsibilities to committees of our directors and/or officers (collectively the “plan administrator”), subject to certain limitations. The plan administrator sets the terms and conditions of all awards under the Plan, including any vesting and vesting acceleration conditions.

As of March 31, 2025, a total of 1,982,652 shares of common stock, LTIP Units, Performance Units and other stock based awards remain available for issuance under the Plan. Shares and units granted under the Plan may be authorized but unissued shares or units, or, if authorized by the board of directors, shares purchased in the open market. If an award under the Plan is forfeited, expires, or is settled for cash, any shares or units subject to such award will generally be available for future awards.

LTIP Units and Performance Units

LTIP units and Performance Units are each a class of limited partnership units in the Operating Partnership. Initially, LTIP units and Performance Units do not have full parity with OP Units with respect to liquidating distributions. However, upon the occurrence of certain events more fully described in the Operating Partnership’s partnership agreement (“book-up events”), the LTIP units and Performance Units can over time achieve full parity with the OP Units for all purposes. If such parity is reached, vested LTIP Units and vested Performance Units may be converted into an equal number of OP Units, and upon conversion, enjoy all rights of OP Units. Performance Units that have not vested receive a quarterly per-unit distribution equal to 10% of the distributions paid on OP Units. Vested Performance Units and unvested and vested LTIP Units receive the same quarterly per-unit distributions as OP Units, which equal the per-share distributions on shares of our common stock.

Share-Based Award Activity

The following table sets forth our unvested restricted stock activity and unvested LTIP Unit activity for the three months ended March 31, 2025:

	Unvested Awards			
	Restricted Common Stock		LTIP Units	
	Number of Shares	Weighted-Average Grant Date Fair Value per Share	Number of Units	Weighted-Average Grant Date Fair Value per Unit
Balance at January 1, 2025	416,123	\$ 56.64	451,659	\$ 46.16
Granted	303,742	\$ 39.01	175,732	\$ 38.52
Forfeited	(48,695)	\$ 55.66	—	\$ —
Vested ⁽¹⁾	(110,788)	\$ 57.85	(163,836)	\$ 41.09
Balance at March 31, 2025	560,382	\$ 46.93	463,555	\$ 45.06

- (1) During the three months ended March 31, 2025, 40,496 shares of the Company's common stock were tendered in accordance with the terms of the Plan to satisfy minimum statutory tax withholding requirements associated with the vesting of restricted shares of common stock.

The following table sets forth the vesting schedule of all unvested share-based awards outstanding as of March 31, 2025:

	Unvested Awards		
	Restricted Common Stock	LTIP Units	Performance Units ⁽¹⁾
April 1, 2025 - December 31, 2025	34,704	190,476	673,188
2026	177,271	158,459	701,025
2027	156,031	95,794	903,897
2028	117,895	11,683	—
2029	74,481	7,143	—
Total	560,382	463,555	2,278,110

- (1) Represents the maximum number of Performance Units that would become earned and vested in November/December of 2025, December of 2026, and November/December of 2027, in the event that the specified maximum total shareholder return ("TSR") and FFO per share growth hurdles are achieved at the end of the three-year performance period for awards that were initially granted in November of 2022, December of 2023, and November of 2024, respectively.

Compensation Expense

The following table sets forth the amounts expensed and capitalized for all share-based awards for the reported periods presented below (in thousands):

	Three Months Ended March 31,	
	2025	2024
Expensed share-based compensation ⁽¹⁾	\$ 9,699	\$ 9,088
Capitalized share-based compensation ⁽²⁾	323	370
Total share-based compensation	\$ 10,022	\$ 9,458

- (1) Amounts expensed are included in "General and administrative" and "Property expenses" in the accompanying consolidated statements of operations.
(2) For the three months ended March 31, 2025 and 2024, amounts capitalized relate to employees who provide construction services, and are included in "Building and improvements" in the consolidated balance sheets.

As of March 31, 2025, total unrecognized compensation cost related to all unvested share-based awards was \$63.2 million and is expected to be recognized over a weighted average remaining period of 28 months.

14. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share (in thousands, except share and per share amounts):

	Three Months Ended March 31,	
	2025	2024
Numerator:		
Net income	\$ 74,048	\$ 64,277
Less: Preferred stock dividends	(2,314)	(2,314)
Less: Net income attributable to noncontrolling interests	(2,849)	(2,906)
Less: Net income attributable to participating securities	(539)	(418)
Net income attributable to common stockholders	<u>\$ 68,346</u>	<u>\$ 58,639</u>
Denominator:		
Weighted average shares of common stock outstanding – basic	227,395,984	214,401,661
Effect of dilutive securities	—	36,252
Weighted average shares of common stock outstanding – diluted	<u>227,395,984</u>	<u>214,437,913</u>
Earnings per share - Basic		
Net income attributable to common stockholders	\$ 0.30	\$ 0.27
Earnings per share - Diluted		
Net income attributable to common stockholders	\$ 0.30	\$ 0.27

Unvested share-based payment awards that contain non-forfeitable rights to dividends, whether paid or unpaid, are accounted for as participating securities. As such, unvested shares of restricted stock, unvested LTIP Units and unvested Performance Units are considered participating securities. Participating securities are included in the computation of basic EPS pursuant to the two-class method. The two-class method determines EPS for each class of common stock and each participating security according to dividends declared (or accumulated) and their respective participation rights in undistributed earnings. Participating securities are also included in the computation of diluted EPS using the more dilutive of the two-class method or treasury stock method for unvested shares of restricted stock and LTIP Units, and by determining if certain market conditions have been met at the reporting date for unvested Performance Units.

The effect of including unvested shares of restricted stock and unvested LTIP Units using the treasury stock method was excluded from our calculation of weighted average shares of common stock outstanding – diluted, as their inclusion would have been anti-dilutive.

Performance Units, which are subject to vesting based on the Company achieving certain TSR levels and FFO per share growth over a three-year performance period, are included as contingently issuable shares in the calculation of diluted EPS when TSR and/or FFO per share growth has been achieved at or above the threshold levels specified in the award agreements, assuming the reporting period is the end of the performance period, and the effect is dilutive.

Shares issuable under forward equity sale agreements during the period prior to settlement are reflected in our calculation of weighted average shares of common stock outstanding – diluted using the treasury stock method as the impact was dilutive for the periods presented above.

We also consider the effect of other potentially dilutive securities, including the CPOP Units and OP Units, which may be redeemed for shares of our common stock under certain circumstances, and include them in our computation of diluted EPS under the if-converted method when their inclusion is dilutive. These units were not dilutive for the periods presented above. Additionally, as of March 31, 2025, the Exchangeable Notes were not included in the computation of diluted earnings per share as they were anti-dilutive for the three months ended March 31, 2025.

15. Segment Reporting

We operate as one operating segment. We are engaged in the business of investing in, operating and repositioning/redeveloping industrial real estate properties located in Southern California infill markets. Our operating results depend primarily upon generating rental revenue from leasing and operating our industrial properties. As a group, our Co-Chief Executive Officers, Chief Operating Officer and Chief Financial Officer collectively act as the chief operating decision maker (the “CODM”) of the Company. Our CODM reviews financial information presented on a consolidated basis when making decisions related to assessing our operating performance and allocating resources.

Segment Profitability Measure and Total Assets

Consolidated net income, which is reported in the accompanying consolidated statements of operations, is the measure of segment profit or loss that is regularly reviewed by the CODM. Consolidated net income is used by the CODM in assessing the operating performance of the segment and to monitor budget versus actual results.

Refer to the accompanying consolidated statements of operations for the presentation of consolidated net income for the three months ended March 31, 2025 and 2024.

The measure of segment assets is reported in the accompanying consolidated balance sheets as “Total assets.” The accounting policies of our single reportable segment are the same as those described in the summary of significant accounting policies.

Significant Segment Expenses

The following table sets forth the significant expenses that comprise the line item “Property expenses” in our calculation of consolidated net income (in the accompanying consolidated statements of operations) for the three months ended March 31, 2025 and 2024.

	Three Months Ended March 31,	
	2025	2024
Recoverable property expenses ⁽¹⁾	\$ 46,849	\$ 40,009
Non-recoverable property expenses ⁽²⁾	8,412	7,473
Property expenses	<u>\$ 55,261</u>	<u>\$ 47,482</u>

- (1) Recoverable property expenses include real estate taxes, insurance, repairs and maintenance, utilities and management fee expenses which can be billed back to tenants as a form of additional revenue.
- (2) Non-recoverable property expenses include overhead allocation expenses and other property expenses directly associated with operating our properties which cannot be billed back to tenants.

16. Subsequent Events

Dispositions

On April 3, 2025, we completed the sale of the property located at 20 Icon in Lake Forest, California for a gross sale price of \$50.9 million.

Dividends and Distributions Declared

On April 14, 2025, our board of directors declared the following quarterly cash dividends/distributions, record dates and payment dates.

Security	Amount per Share/Unit	Record Date	Payment Date
Common stock	\$ 0.43	June 30, 2025	July 15, 2025
OP Units	\$ 0.43	June 30, 2025	July 15, 2025
5.875% Series B Cumulative Redeemable Preferred Stock	\$ 0.367188	June 16, 2025	June 30, 2025
5.625% Series C Cumulative Redeemable Preferred Stock	\$ 0.351563	June 16, 2025	June 30, 2025
3.00% Cumulative Redeemable Convertible Preferred Units	\$ 0.545462	June 16, 2025	June 30, 2025

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the consolidated financial statements and the related notes thereto that appear in Part I, Item 1 "Financial Statements" of this Quarterly Report on Form 10-Q. The terms "Company," "we," "us," and "our" refer to Rexford Industrial Realty, Inc. and its consolidated subsidiaries except where the context otherwise requires.

Forward-Looking Statements

We make statements in this quarterly report that are forward-looking statements, which are usually identified by the use of words such as "anticipates," "believes," "could," "estimates," "expects," "intends," "may," "might," "plans," "potential," "possible," "predicts," "projects," "results," "seeks," "should," "will," and variations of such words or similar expressions. Our forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by our forward-looking statements are reasonable, we can give no assurance that our plans, intentions, expectations, strategies or prospects will be attained or achieved and you should not place undue reliance on these forward-looking statements. Furthermore, actual results may differ materially from those described in the forward-looking statements and may be affected by a variety of risks and factors including, without limitation:

- the competitive environment in which we operate;
- real estate risks, including fluctuations in real estate values and the general economic climate in local markets and competition for tenants in such markets;
- decreased rental rates or increasing vacancy rates;
- potential defaults on or non-renewal of leases by tenants;
- potential bankruptcy or insolvency of tenants or our borrower;
- acquisition risks, including failure of such acquisitions to perform in accordance with expectations;
- the timing of acquisitions and dispositions;
- risks associated with redevelopment and repositioning activities, including the possibility that costs may exceed original estimates, the time to complete a project or to lease up the completed project may be greater than originally anticipated or changes in entitlements or laws may impact or prevent execution of intended projects, including without limitation, California Assembly Bill 98;
- potential natural disasters such as earthquakes, wildfires or floods;
- the consequence of any future security alerts and/or terrorist attacks;
- national, international, regional and local economic conditions, including impacts and uncertainty from trade disputes and tariffs on goods imported to the United States and goods exported to other countries;
- the general level of interest rates;
- potential impacts of inflation;
- potential changes in or interpretation and enforcement of the law, governmental regulations or executive orders that affect us and interpretations of those laws, regulations and executive orders, including changes in real estate and zoning or REIT tax laws, potential increases in real property tax rates and other matters related to operating our business;
- financing risks, including the risks that our cash flows from operations may be insufficient to meet required payments of principal and interest and we may be unable to refinance our existing debt upon maturity or obtain new financing on attractive terms or at all;
- lack of or insufficient amounts of insurance;
- our failure to complete acquisitions;
- our failure to successfully integrate acquired properties;
- our ability to qualify and maintain our qualification as a REIT;
- our ability to maintain our current investment grade ratings by Fitch Ratings ("Fitch"), Moody's Investors Services ("Moody's") or from Standard and Poor's Ratings Services ("S&P");
- litigation, including costs associated with prosecuting or defending pending or threatened claims and any adverse outcomes;
- possible environmental liabilities, including costs, fines or penalties that may be incurred due to necessary remediation of contamination of properties presently owned or previously owned by us;
- an epidemic or pandemic, and the measures that international, federal, state and local governments, agencies, law

enforcement and/or health authorities may implement to address it, which may precipitate or exacerbate one or more of the above-mentioned factors and/or other risks, and significantly disrupt or prevent us from operating our business in the ordinary course for an extended period; and

- other events outside of our control.

Accordingly, there is no assurance that our expectations will be realized. Except as otherwise required by the U.S. federal securities laws, we disclaim any obligations or undertaking to publicly release any updates or revisions to any forward-looking statement contained herein (or elsewhere) to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The reader should carefully review our financial statements and the notes thereto, as well as the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024.

Company Overview

Rexford Industrial Realty, Inc. is a self-administered and self-managed full-service REIT focused on owning and operating industrial properties in Southern California infill markets. We were formed as a Maryland corporation on January 18, 2013, and Rexford Industrial Realty, L.P. (the “Operating Partnership”), of which we are the sole general partner, was formed as a Maryland limited partnership on January 18, 2013. Through our controlling interest in our Operating Partnership and its subsidiaries, we acquire, own, improve, reposition, redevelop, lease and manage industrial real estate principally located in Southern California infill markets, and, from time to time, acquire or provide mortgage debt secured by industrial zoned property or property suitable for industrial development. From time to time we also sell assets as part of our capital allocation strategy. We are organized and conduct our operations to qualify as a REIT under the Code and generally are not subject to federal taxes on our income to the extent we distribute our income to our shareholders and maintain our qualification as a REIT.

As of March 31, 2025, our consolidated portfolio consisted of 424 properties with approximately 51.0 million rentable square feet.

Our goal is to generate attractive risk-adjusted returns for our stockholders by providing superior access to industrial property investments and mortgage debt investments secured by industrial property in high-barrier Southern California infill markets. Our target markets provide us with opportunities to acquire both stabilized properties generating favorable cash flow, as well as properties or land parcels where we can enhance returns through value-add repositioning and redevelopments. Scarcity of available space and high barriers limiting new construction of for-lease product all contribute to create superior long-term supply/demand fundamentals within our target infill Southern California industrial property markets. With our vertically integrated operating platform and extensive value-add investment and management capabilities, we believe we are positioned to capitalize upon the opportunities in our markets to achieve our objectives.

2025 Year to Date Highlights

Financial and Operational Highlights

- Net income attributable to common stockholders increased by 16.6% to \$68.3 million for the three months ended March 31, 2025, compared to the prior year.
- Core funds from operations (Core FFO)⁽¹⁾ attributable to common stockholders increased by 14.1% to \$141.0 million for the three months ended March 31, 2025, compared to the prior year.
- Net operating income (NOI)⁽¹⁾ increased by 18.4% to \$193.6 million for the three months ended March 31, 2025, compared to the prior year.
- Total portfolio occupancy at March 31, 2025 was 89.6%.
- Same Property Portfolio⁽²⁾ average occupancy for the three months ended March 31, 2025 was 95.9% and ending occupancy at March 31, 2025 was 95.7%.
- Executed a total of 138 new and renewal leases with a combined 2.4 million rentable square feet, with leasing spreads of 23.8% on a GAAP basis and 14.7% on a cash basis.

⁽¹⁾ See “Non-GAAP Supplemental Measures: Funds From Operations” and “Non-GAAP Supplemental Measures: NOI and Cash NOI” included under Item 2 of this Form 10-Q for a definition and reconciliation of Core FFO and NOI from net income and a discussion of why we believe Core FFO and NOI are useful supplemental measures of operating performance.

⁽²⁾ For a definition of “Same Property Portfolio,” see “Results of Operations” included under Item 2 of this Form 10-Q.

Dispositions

- During the first quarter of 2025, we sold one property with 127,775 rentable square feet for a gross sale price of \$52.5 million and recognized \$13.2 million in gains on sale of real estate.
- Subsequent to the first quarter of 2025, we sold one property with 102,299 rentable square feet for a gross sale price of \$50.9 million.

Repositioning & Redevelopment

- During the first quarter of 2025, we stabilized five of our repositioning projects located at 4039 Calle Platino, 29120 Commerce Center Drive, East 27th Street, 122-125 North Vinedo Avenue and 29125 Avenue Paine, which have a combined 560,255 square feet. We also leased our 139,449 square foot redevelopment property located at 1901 Via Burton which will stabilize in the second quarter of 2025 upon lease commencement.
- During the first quarter of 2025, we also completed construction of nine of our repositioning/redevelopment properties with a combined 911,139 square feet that are now classified in the lease-up stage.

Equity

- During the first quarter of 2025, we settled the remaining portion of the forward equity sale agreement related to our March 2024 underwritten public offering by issuing 9,776,768 shares of common stock for net proceeds of \$478.0 million, based on a weighted average forward price of \$48.89 per share at settlement.

Factors That May Influence Future Results of Operations

Market and Portfolio Fundamentals

Our operating results depend upon the infill Southern California industrial real estate market.

The infill Southern California industrial real estate sector continues to exhibit favorable long-term supply-demand fundamentals. These high-barrier infill markets are characterized by a relative scarcity of highly functional product, coupled with the limited ability to introduce new supply over the long-term due to high land and redevelopment costs, regulatory hurdles with restrictive development constraints and a dearth of developable land in markets experiencing a net reduction in supply as, over time, more industrial property is converted to non-industrial uses than can be delivered. While we believe that our infill Southern California industrial property markets have demonstrated resiliency related to occupancy and rental rates in the context of key market drivers over the last several years, we expect some ongoing volatility within our markets through the near term, principally driven by general macroeconomic and political uncertainty including recent changes in trade policy and the introduction of new tariffs, an uncertain interest rate environment, persistent inflation and global geopolitical unrest. According to third-party market data, market rent growth within our infill Southern California markets has decreased approximately 18% since market rents peaked in mid-2023, after an increase of approximately 80%, on average, through the pandemic years of 2020 through 2022. In comparison, market rent growth for the Company's portfolio has decreased approximately 14% since market rents peaked in mid-2023.

The quality of tenant demand through the first quarter of 2025 is demonstrated through the Company's leasing spreads and leasing volume (see "—Leasing Activity and Rental Rates" below). Renewal activity remained healthy and overall absorption was positive, reflecting the continued stability and demand across our tenant base. While activity levels remained healthy through the first quarter of 2025 relative to the second half of 2024, we recognize that the substantial escalation in international tariffs driving increased market volatility occurring subsequent to the end of the quarter may influence tenant demand going forward.

Tenant demand has been driven by a wide range of sectors, from consumer products, healthcare and medical products to aerospace, food and beverage, construction and logistics, e-commerce, among other sectors. Our portfolio, which we believe represents prime locations with superior functionality within the largest last-mile logistics distribution market in the nation, is well-positioned to continue to serve our diverse tenant base and attract incremental ecommerce-oriented and traditional distribution demand over the long-term.

General Market Conditions

We believe our portfolio's leasing performance during the first quarter of 2025 has generally outpaced that of the infill markets within which we operate. We believe this performance has been driven by our highly entrepreneurial business model focused on acquiring and improving industrial property in superior locations so that our portfolio reflects a higher level of quality and functionality, on average, as compared to typical available product within the markets within which we operate. We believe that our portfolio, comprised of smaller space sizes averaging 26,000 square feet located entirely within last-mile, infill Southern California locations is well positioned to serve regional consumption and may be less susceptible to changes in global trade flows as compared to large warehouses located within non-infill submarkets. We also believe the quality and entrepreneurial approach demonstrated by our vertically-integrated team of real estate professionals actively managing our properties and our tenants enables the potential to outcompete within our markets where we believe competing properties are generally otherwise owned by more passive, less-focused real estate owners.

The following general market conditions have been sourced from third-party market data and do not necessarily reflect the results of our portfolio. For our portfolio specific results see "—Rental Revenues" and "—Results of Operations" below.

In Los Angeles County, vacancy increased quarter-over-quarter to 4.6% and average asking lease rates declined quarter-over-quarter. New development is limited by a lack of land availability and an increase in land and development costs.

In Orange County, average asking lease rates decreased quarter-over-quarter and vacancy increased quarter-over-quarter to 3.9%. Market conditions are expected to be favorable over the long-term due to steady demand and the continued low availability of industrial product in this region.

In the Inland Empire West, which contains infill markets in which we operate, vacancy decreased quarter-over-quarter to 4.7% and average taking lease rates in the market decreased slightly quarter-over-quarter. We generally do not focus on properties located within the non-infill Inland Empire East sub-market where available land and the development and construction pipeline for new supply is substantial.

In San Diego, vacancy increased quarter-over-quarter and average asking lease rates declined quarter-over-quarter.

In Ventura County, vacancy increased quarter-over-quarter and average asking lease rates declined quarter-over-quarter.

Acquisitions and Value-Add Repositioning and Redevelopment of Properties

The Company's growth strategy comprises acquiring leased, stabilized properties as well as properties with value-add opportunities to improve functionality and to deploy our value-driven asset management programs in order to increase cash flow and value. Additionally, from time to time, we may acquire industrial outdoor storage sites, land parcels or properties with excess land for ground-up redevelopment projects. Acquisitions may comprise single property investments as well as the purchase of portfolios of properties, with transaction values ranging from approximately \$10 million single property investments to portfolios potentially valued in the billions of dollars. The Company's geographic focus remains infill Southern California. However, from time-to-time, portfolios could be acquired comprising a critical mass of infill Southern California industrial property that could include some assets located in markets outside of infill Southern California. In general, to the extent non-infill-Southern California assets were to be acquired as part of a larger portfolio, the Company may underwrite such investments with the potential to dispose such assets over a certain period of time in order to maximize its core focus on infill Southern California, while endeavoring to take appropriate steps to satisfy REIT safe harbor requirements to avoid prohibited transactions under REIT tax laws. Similarly, while our focus is owning and operating industrial properties in Southern California infill markets, occasionally an acquisition may include non-industrial properties, such as office and other uses, with the intent to reposition or redevelop the properties into industrial use or to dispose of the non-industrial assets in a manner intended to satisfy REIT safe harbor requirements to avoid prohibited transactions under REIT tax laws.

A key component of our growth strategy is to acquire properties through off-market and lightly marketed transactions that are often operating at below-market occupancy or below-market rent at the time of acquisition or that have near-term lease roll-over or that provide opportunities to add value through functional or physical repositioning and improvements. Through various repositioning, redevelopment, and professional leasing and marketing strategies, we seek to increase the properties' functionality and attractiveness to prospective tenants and, over time, to stabilize the properties at occupancy rates that meet or exceed market rates.

A repositioning can provide a range of property improvements. This may include a complete structural renovation of a property whereby we convert large underutilized spaces into a series of smaller and more functional spaces, or it may include the creation of additional square footage, the modernization of the property improvements, the elimination of functional

obsolescence, the addition or enhancement of loading areas and truck access, the enhancement of fire-life-safety systems or other accretive improvements, in each case designed to improve the cash flow and value of the property.

We have a number of significant repositioning properties, which are individually presented in the tables below. A repositioning property that is considered significant is typically defined as a property where a significant amount of space is held vacant in order to implement capital improvements, the cost to complete repositioning work and lease-up is estimated to be greater than \$2 million and the repositioning and lease-up time frame is estimated to be greater than six months. We also have a range of other spaces in repositioning, that due to their smaller size, relative scope, projected repositioning costs or relatively nominal amount of down-time, are not presented below, however, in the aggregate, may be substantial (and which we refer to as “other repositioning projects”).

A repositioning is generally considered complete once the investment is fully or nearly fully deployed and the property is available for occupancy. Because each repositioning effort is unique and determined based on the property, targeted tenants and overall trends in the general market and specific submarket, the timing and effect of the repositioning on our rental revenue and occupancy levels will vary, and, as a result, will affect the comparison of our results of operations from period to period with limited predictability.

A redevelopment property is defined as a property where we plan to fully or partially demolish an existing building(s) due to building obsolescence and/or a property with excess or vacant land where we plan to construct a ground-up building.

As of March 31, 2025, 14 of our properties were under current repositioning or redevelopment and 17 of our properties were in the lease-up stage. In addition, we have a pipeline of 19 additional properties for which we anticipate beginning repositioning/redevelopment construction work over the near term. The tables below set forth a summary of these properties, as well as the properties that were most recently stabilized in 2025 and 2024, as the timing of these stabilizations have a direct impact on our current and comparative results of operations. We consider a repositioning/redevelopment property to be stabilized upon the earlier of (i) reaching 90% occupancy or (ii) one year from the date construction work is completed.

Property (Submarket)	Market	Repositioning/ Lease-up Rentable Square Feet ⁽²⁾	Estimated Construction Period ⁽¹⁾		Total Property Leased % at 3/31/2025
			Start	Completion	
Current Repositioning:					
19301 Santa Fe Avenue (South Bay)	LA	LAND	2Q-2024	2Q-2025	—%
Harcourt & Susana (South Bay)	LA	33,461 ⁽³⁾	2Q-2024	3Q-2025	—%
8985 Crestmar Point (Central SD)	SD	53,395	4Q-2024	3Q-2025	—%
14955 Salt Lake Avenue (SG Valley)	LA	45,930	4Q-2024	4Q-2025	—%
218 Turnbull Canyon (SG Valley)	LA	191,095	1Q-2025	4Q-2025	—%
Total Current Repositioning		<u>323,881</u>			
Lease-up (Repositioning):					
11308-11350 Penrose Street (SF Valley) ⁽⁴⁾	LA	71,547	1Q-2023	1Q-2024	—%
14434-14527 San Pedro Street (South Bay)	LA	61,398 ⁽⁵⁾	3Q-2023	1Q-2025	—%
1020 Bixby Drive (SG Valley)	LA	57,600	1Q-2024	3Q-2024	—%
17000 Kingsview Avenue (South Bay)	LA	95,865	1Q-2024	1Q-2025	—%
1315 Storm Parkway (South Bay)	LA	37,844	2Q-2024	4Q-2024	—%
Total Lease-up (Repositioning)		<u>324,254</u>			

– See footnotes starting on page 42 –

Property (Submarket)	Market	Estimated Redevelopment Rentable Square Feet ⁽⁶⁾	Estimated Construction Period ⁽¹⁾		Total Property Leased % at 3/31/2025
			Start	Completion	
Current Redevelopment:					
9615 Norwalk Boulevard (Mid-Counties)	LA	201,571	3Q-2021	2Q-2025	—%
4416 Azusa Canyon Road (SG Valley)	LA	129,830	4Q-2022	2Q-2025	—%
15010 Don Julian Road (SG Valley)	LA	219,242	1Q-2023	4Q-2025	—%
21515 Western Avenue (South Bay)	LA	83,740	2Q-2023	2Q-2025	—%
17907-18001 Figueroa Street (South Bay)	LA	76,468 ⁽⁷⁾	4Q-2023	2Q-2025	—%
14940 Proctor Road (SG Valley)	LA	160,045	4Q-2024	2Q-2026	—%
11234 Rush Street (SG Valley)	LA	103,108	4Q-2024	4Q-2026	—%
5235 Hunter Avenue (North OC)	OC	117,772	1Q-2025	3Q-2026	—%
3547-3555 Voyager Street (South Bay)	LA	67,371	1Q-2025	3Q-2026	—%
Total Current Redevelopment		<u>1,159,147</u>			
Lease-up (Redevelopment):					
9920-10020 Pioneer Blvd (Mid-Counties)	LA	163,435	4Q-2021	3Q-2024	—%
1901 Via Burton (North OC)	OC	139,449	1Q-2022	2Q-2024	100%
3233 Mission Oaks Blvd. (Ventura) ⁽⁸⁾	VC	116,852	2Q-2022	1Q-2025	—%
8888 Balboa Avenue (Central SD)	SD	123,492	3Q-2022	4Q-2024	—%
6027 Eastern Avenue (Central LA)	LA	94,140	3Q-2022	1Q-2025	—%
2390-2444 American Way (North OC)	OC	100,483	4Q-2022	2Q-2024	48%
12118 Bloomfield Avenue (Mid-Counties)	LA	107,045	4Q-2022	1Q-2025	—%
3071 Coronado Street (North OC) ⁽⁹⁾	OC	105,173	1Q-2023	1Q-2024	—%
19900 Plummer Street (SF Valley)	LA	79,539	3Q-2023	1Q-2025	—%
12772 San Fernando Road (SF Valley)	LA	143,529	3Q-2023	1Q-2025	—%
Rancho Pacifica - Bldg 5 (South Bay) ⁽¹⁰⁾	LA	76,553	4Q-2023	1Q-2025	—%
1500 Raymond Avenue (North OC)	OC	136,218 ⁽¹¹⁾	4Q-2023	1Q-2025	—%
Total Lease-up (Redevelopment)		<u>1,385,908</u>			

– See footnotes starting on page 42 –

Property (Submarket)	Market	Projected Rentable Square Feet	Project Type
Near-Term Potential Future Repositioning and Redevelopment:			
1175 Aviation Place	LA	93,219	Reposition
24935 Avenue Kearny	LA	69,761	Reposition
7815 Van Nuys Blvd	LA	78,990	Redevelopment
1601 Mission Boulevard	LA	504,016	Reposition
425 Hacienda Boulevard	LA	44,025	Reposition
14005 Live Oak Avenue	LA	100,380	Redevelopment
15715 Arrow Highway	LA	106,278	Redevelopment
16425 Gale Avenue	LA	325,800	Redevelopment
Figueroa & Rosecrans	LA	56,700	Reposition
18455 Figueroa Street	LA	179,284	Redevelopment
3100 Fujita Street	LA	82,080	Redevelopment
3901 Via Oro Avenue	LA	74,260	Redevelopment
9000 Airport Road	LA	418,000	Redevelopment
950 West 190th Street	LA	197,000	Redevelopment
2401-2421 Glassell Street	OC	277,000	Redevelopment
600-708 Vermont Avenue	OC	263,800	Redevelopment
9455 Cabot Drive	SD	83,563	Reposition
9323 Balboa Avenue	SD	163,400	Redevelopment
3935-3949 Heritage Oak Court	VC	186,726	Reposition
Total Future Repositioning and Redevelopment		3,304,282	

– See footnotes starting on page 42 –

Property Stabilized:⁽¹²⁾	Market	Stabilized Rentable Square Feet	Period Stabilized
4039 Calle Platino (North County SD)	SD	73,807	1Q-2025
29120 Commerce Center Drive (SF Valley)	LA	135,258	1Q-2025
East 27th Street (Central LA)	LA	126,563	1Q-2025
122-125 N. Vinedo Avenue (SF Valley)	LA	48,520	1Q-2025
29125 Avenue Paine (SF Valley)	LA	176,107	1Q-2025
Total 2025 Stabilized		560,255	
9755 Distribution Avenue (Central SD)	SD	24,071	1Q-2024
8902-8940 Activity Road (Central SD)	SD	13,950	1Q-2024
444 Quay Avenue (South Bay)	LA	29,760	2Q-2024
263-321 Gardena Blvd (South Bay)	LA	55,238	2Q-2024
20851 Currier Road (SG Valley)	LA	59,412	3Q-2024
17311 Nichols Lane (West OC)	OC	104,182	3Q-2024
12752-12822 Monarch St. (West OC)	OC	163,864	3Q-2024
500 Dupont Avenue (IE - West)	SB	274,885	4Q-2024
2880 Ana Street (South Bay)	LA	LAND	4Q-2024
12907 Imperial Highway (Mid-Counties)	LA	101,080	4Q-2024
Total 2024 Stabilized		826,442	

- (1) The estimated construction start period is the period we anticipate starting physical construction on a project. Prior to physical construction, we engage in pre-construction activities, which include design work, securing permits or entitlements, site work, and other necessary activities preceding construction. The estimated completion period is our current estimate of the period in which we will have substantially completed a project and the project is made available for occupancy. We expect to update our timing estimates on a quarterly basis. The estimated construction period is subject to change as a result of a number of factors including but not limited to permit requirements, delays in construction (including delays related to supply chain backlogs), changes in scope, and other unforeseen circumstances.
- (2) "Repositioning/Lease-up Rentable Square Feet" is the actual rentable square footage that is subject to repositioning at the property/buildings, and may be less than the total rentable square footage of the entire property or particular building(s) under repositioning.
- (3) Harcourt & Susana is a low coverage site with 33,461 rentable square feet of buildings on 239,364 square feet, or 5.5 acres, of land.
- (4) As of March 31, 2025, 11308-11350 Penrose Street is considered stabilized, as it reached one year from the date of completion of construction work, but remains in Lease-Up (Repositioning) for presentation purposes, as the property has not yet achieved 90% occupancy.
- (5) 14434-14527 San Pedro Street is a low coverage site with 61,398 rentable square feet of buildings on 335,905 square feet, or 7.7 acres, of land.
- (6) Represents the estimated rentable square footage of the project upon completion of redevelopment.
- (7) 17907-18001 Figueroa Street will be a low coverage site with 76,468 rentable square feet of buildings on 221,055 square feet, or 5.1 acres, of land.
- (8) As of March 31, 2025, 3233 Mission Oaks Boulevard comprised 409,217 rentable square feet which were not redeveloped. We constructed one new building comprising 116,852 rentable square feet. We also performed site work across the entire project. The total project now contains 526,069 rentable square feet.
- (9) As of March 31, 2025, 3071 Coronado Street is considered stabilized, as it reached one year from the date of completion of construction work, but remains in Lease-Up (Redevelopment) for presentation purposes, as the property has not yet achieved 90% occupancy.
- (10) Rancho Pacifica Building 5 is located at 2370-2398 Pacifica Place and comprises one building totaling 51,594 rentable square feet, out of six buildings at our Rancho Pacifica Park property, which has a total of 1,111,885 rentable square feet. We demolished the existing building and constructed a new building comprising approximately 76,553 rentable square feet in its place.

(11) 1500 Raymond Avenue contains one acre of excess paved land.

(12) We consider a repositioning property to be stabilized upon the earlier of (i) reaching 90% occupancy or (ii) one year from the date construction work is completed.

Capitalized Costs

Properties that are nonoperational as a result of repositioning or redevelopment activity may qualify for varying levels of interest, insurance and real estate tax capitalization during the redevelopment and construction period. An increase in our repositioning and redevelopment activities resulting from value-add acquisitions could cause an increase in the asset balances qualifying for interest, insurance and tax capitalization in future periods. We capitalized \$8.2 million of interest expense and \$1.9 million of insurance and real estate tax expenses during the three months ended March 31, 2025, respectively, related to our repositioning and redevelopment projects.

Construction Costs and Timing

Currently proposed trade and other political policies may lead to increased construction materials and labor costs, which when combined with longer lead times for governmental approvals and entitlements, has the potential to increase budgeted and actual construction costs and may cause delays in starting and completing certain redevelopment projects. Additional increases in costs, further delays or declining market rents could result in a lower expected yield on our redevelopment projects, which could negatively impact our future earnings.

Rental Revenues

Our operating results depend primarily upon generating rental revenue from the properties in our portfolio. The amount of rental revenue generated by these properties is affected by our ability to maintain or increase occupancy levels and rental rates at our properties, which will depend upon our ability to lease vacant space and re-lease expiring space at favorable rates.

Occupancy Rates

As of March 31, 2025, our consolidated portfolio, inclusive of space in repositioning as described in the subsequent paragraph, was approximately 89.6% occupied, while our stabilized consolidated portfolio exclusive of such space was approximately 95.1% occupied. We believe the opportunity to increase occupancy at our properties will be an important driver of future revenue growth. An opportunity to drive this growth will derive from the completion and lease-up of repositioning and redevelopment projects that are currently under construction.

As summarized in the tables under “—Acquisitions and Value-Add Repositioning and Redevelopment of Properties” above, as of March 31, 2025, 14 of our properties with a combined 1.5 million of estimated rentable square feet at completion are under current repositioning or redevelopment, 17 properties with a combined 1.7 million of rentable square feet are in lease-up, and we have a near-term pipeline of 19 repositioning and redevelopment projects with a combined 3.3 million of estimated rentable square feet at completion. Additionally, we have 0.7 million rentable square feet of other repositioning projects. Vacant space at these properties is concentrated in our Los Angeles, Orange County and San Bernardino markets and represents 5.8% of our total consolidated portfolio square footage as of March 31, 2025. Including vacant space at these properties, our weighted average occupancy rate as of March 31, 2025 in our Los Angeles, Orange County and San Bernardino markets was 88.0%, 88.4% and 95.9%, respectively. Excluding vacant space at these properties, our weighted average occupancy rate as of March 31, 2025, in these markets was 94.1%, 98.5% and 97.5%, respectively. We believe that an important portion of our long-term future growth will come from the completion of these projects currently under or scheduled for repositioning/redevelopment, as well as through the identification or acquisition of new opportunities for repositioning and redevelopment, whether in our existing portfolio or through new investments, which may vary from period to period subject to market conditions.

The occupancy rate of properties not undergoing repositioning is affected by regional and local economic conditions in our Southern California infill markets. Although there has been a post-COVID normalization of market rates and vacancy over the past two years, the Los Angeles, Orange County, San Bernardino, San Diego and Ventura markets are well-positioned for the long-term due to fundamental demand drivers and barriers for new supply. Although we cannot predict how our markets may perform in future periods, we believe that general market conditions will continue to offer the long-term opportunity to increase occupancy and rental rates at our properties which will be an important driver of future revenue growth.

Leasing Activity and Rental Rates

The following tables set forth our leasing activity for new and renewal leases for the three months ended March 31, 2025:

New Leases									
Quarter	Number of Leases	Rentable Square Feet	Weighted Average Lease Term (in years)	Net Effective Rent Per Square Foot ⁽¹⁾	Net Effective Leasing Spreads ⁽²⁾⁽⁴⁾	Cash Leasing Spreads ⁽³⁾⁽⁴⁾			
Q1-2025	54	882,403	4.6	\$ 20.05	3.2 %	(5.4)%			

Renewal Leases							Expired Leases		Retention % ⁽⁷⁾
Quarter	Number of Leases	Rentable Square Feet	Weighted Average Lease Term (in years)	Net Effective Rent Per Square Foot ⁽¹⁾	Net Effective Leasing Spreads ⁽²⁾	Cash Leasing Spreads ⁽³⁾⁽⁵⁾	Number of Leases	Rentable Square Feet ⁽⁶⁾	Rentable Square Feet
Q1-2025	84	1,511,946	4.1	\$ 16.31	29.4 %	20.2 %	165	3,102,514	67.8 %

- (1) Effective rent per square foot is the average base rent calculated in accordance with GAAP, over the term of the lease, expressed in dollars per square foot per year. Includes all new and renewal leases that were executed during the quarter.
- (2) Calculated as the change between net effective rents for new or renewal leases and the expiring net effective rents (excluding the impact of amortization of intangible assets or liabilities) on the expiring leases for the same space.
- (3) Calculated as the change between starting cash rents, excluding any abatements, for new or renewal leases and the expiring cash rents on the expiring leases for the same space.
- (4) The net effective and cash re-leasing spreads for new leases executed during the three months ended March 31, 2025, exclude 23 leases aggregating 602,962 rentable square feet for which there was no comparable lease data. Of these 23 excluded leases, 10 leases aggregating 508,109 rentable square feet were recently repositioned/redeveloped space. Comparable leases generally exclude: (i) space that has never been occupied under our ownership, (ii) repositioned/redeveloped space, including space in pre-development/entitlement process, (iii) space that has been vacant for over one year or (iv) space with lease terms shorter than six months.
- (5) The net effective and cash re-leasing rent spreads for renewal leases executed during the three months ended March 31, 2025, exclude one lease for which there was no comparable lease data. Comparable leases generally exclude space with lease terms shorter than six months or space in pre-development/entitlement process.
- (6) Includes leases totaling 833,218 rentable square feet that expired during the three months ended March 31, 2025, for which the space has been or will be placed into repositioning (including "other repositioning projects") or redevelopment.
- (7) Retention is calculated as renewal lease square footage plus relocation/expansion square footage, divided by the square footage of leases expiring during the period. Retention excludes square footage related to the following: (i) expiring leases associated with space that is placed into repositioning (including "other repositioning projects") after the tenant vacates, (ii) early terminations with pre-negotiated replacement leases and (iii) move outs where space is directly leased by subtenants.

Our leasing activity is impacted both by our repositioning and redevelopment efforts, as well as by market conditions. While we reposition a property, its space may become unavailable for leasing until completion of our repositioning efforts. As of March 31, 2025, we have 14 current repositioning/redevelopment projects with estimated construction completion periods ranging from the second quarter of 2025 through the fourth quarter of 2026. We expect these properties to have positive impacts on our leasing activity and revenue generation as we complete our value-add plans and place these properties in service.

Scheduled Lease Expirations

Our ability to re-lease space subject to expiring leases is affected by economic and competitive conditions in our markets and by the relative desirability of our individual properties, which may impact our results of operations. The following table sets forth a summary schedule of lease expirations for leases in place as of March 31, 2025, for each of the 10 full and partial calendar years beginning with 2025 and thereafter, plus space that is available and under current repositioning.

Year of Lease Expiration	Number of Leases Expiring	Total Rentable Square Feet ⁽¹⁾	Percentage of Total Owned Square Feet	Annualized Base Rent ⁽²⁾	Percentage of Total Annualized Base Rent ⁽³⁾	Annualized Base Rent per Square Foot ⁽⁴⁾
Vacant ⁽⁵⁾	—	2,330,663	4.6 %	\$ —	— %	\$ —
Repositioning/Redevelopment ⁽⁶⁾	—	2,943,511	5.8 %	—	— %	\$ —
MTM Tenants	8	214,625	0.4 %	3,802	0.5 %	\$ 17.71
Remainder of 2025	275	5,287,862	10.4 %	87,713	11.3 %	\$ 16.59
2026	420	8,900,867	17.5 %	132,871	17.1 %	\$ 14.93
2027	329	7,365,045	14.5 %	126,833	16.4 %	\$ 17.22
2028	224	6,650,459	13.0 %	124,546	16.1 %	\$ 18.73
2029	162	5,014,710	9.8 %	91,889	11.8 %	\$ 18.32
2030	96	4,450,930	8.7 %	67,930	8.8 %	\$ 15.26
2031	28	3,821,152	7.5 %	56,665	7.3 %	\$ 14.83
2032	21	1,258,123	2.5 %	26,152	3.4 %	\$ 20.79
2033	9	296,735	0.6 %	5,763	0.7 %	\$ 19.42
2034	5	199,139	0.4 %	4,345	0.6 %	\$ 21.82
Thereafter	36	2,218,316	4.3 %	46,579	6.0 %	\$ 21.00
Total Consolidated Portfolio	1,613	50,952,137	100.0 %	\$ 775,088	100.0 %	\$ 16.97

(1) Represents the contracted square footage upon expiration.

(2) Calculated as monthly contracted base rent (before rent abatements) per the terms of such lease, as of March 31, 2025, multiplied by 12, and then aggregated by year of lease expiration. Excludes tenant reimbursements. Amounts in thousands.

(3) Calculated as annualized base rent set forth in this table divided by annualized base rent for the total portfolio as of March 31, 2025.

(4) Calculated as annualized base rent for such leases divided by the occupied square feet for such leases as of March 31, 2025.

(5) Represents vacant space (not under repositioning/redevelopment) as of March 31, 2025. Includes leases aggregating 192,677 rentable square feet that had been signed but had not yet commenced as of March 31, 2025.

(6) Represents vacant space at properties that were classified as repositioning (including “other repositioning projects”), redevelopment or lease-up as of March 31, 2025. Includes leases aggregating 177,341 rentable square feet that had been signed but had not yet commenced as of March 31, 2025.

As of March 31, 2025, in addition to 2.3 million rentable square feet of currently available space in our portfolio and approximately 2.9 million rentable square feet of vacant space under current repositioning/redevelopment, leases representing 10.4% and 17.5% of the aggregate rentable square footage of our portfolio are scheduled to expire during the remainder of 2025 and 2026, respectively. During the three months ended March 31, 2025, we renewed 84 leases for 1.5 million rentable square feet, resulting in a retention rate of 67.8%. During the three months ended March 31, 2025, new and renewal leases had a weighted average term of 4.6 and 4.1, and we expect future new and renewal leases to have similar terms.

The leases scheduled to expire during the remainder of 2025 and 2026 represent approximately 11.3% and 17.1%, respectively, of the total annualized base rent for our portfolio as of March 31, 2025. We estimate that, on a weighted average basis, in-place rents of leases scheduled to expire during the remainder of 2025 and 2026 are currently below current market asking rates, although individual units or properties within any particular submarket may currently be leased either above, below, or at the current market asking rates within that submarket.

As described under “—Market and Portfolio Fundamentals” above, while market indicators, including changes in vacancy rates and average asking lease rates, varied by market and showed signs of a post-pandemic normalizing of tenant demand, overall there was continued relative low market vacancy and supply and demand imbalance across our submarkets, which continues to support favorable long-term market fundamentals.

Conditions in Our Markets

The properties in our portfolio are located primarily in Southern California infill markets. Positive or negative changes in economic or other conditions, trade policy, high or persistent inflation and adverse weather conditions and natural disasters in this market may affect our overall performance.

Property Expenses

Our property expenses generally consist of utilities, real estate taxes, insurance, site repair and maintenance costs, and the allocation of overhead costs. For the majority of our properties, our property expenses are recovered, in part, by either the triple net provisions or modified gross expense reimbursements in tenant leases. The majority of our leases also comprise contractual three percent or greater annual rental rate increases meant, in part, to help mitigate potential increases in property expenses over time. However, the terms of our leases vary, and, in some instances, we may absorb property expenses. Our overall financial results will be impacted by the extent to which we are able to pass-through property expenses to our tenants.

Taxable REIT Subsidiary

As of March 31, 2025, our Operating Partnership indirectly and wholly owns Rexford Industrial Realty and Management, Inc., which we refer to as our services company. We have elected, together with our services company, to treat our services company as a taxable REIT subsidiary for federal income tax purposes. Our taxable REIT subsidiary is a C-corporation subject to federal and state income tax. A taxable REIT subsidiary generally may provide non-customary and other services to our tenants and engage in activities that we or our subsidiaries (other than a taxable REIT subsidiary) may not engage in directly without adversely affecting our qualification as a REIT, provided a taxable REIT subsidiary may not operate or manage a lodging facility or health care facility or provide rights to any brand name under which any lodging facility or health care facility is operated. We may form additional taxable REIT subsidiaries in the future, and our Operating Partnership may contribute some or all of its interests in certain wholly owned subsidiaries or their assets to our services company. Any income earned by our taxable REIT subsidiaries will not be included in our taxable income for purposes of the 75% or 95% gross income tests, except to the extent such income is distributed to us as a dividend, in which case such dividend income will qualify under the 95%, but not the 75%, gross income test. Because a taxable REIT subsidiary is subject to federal income tax, and state and local income tax (where applicable) as a regular corporation, the income earned by our taxable REIT subsidiaries generally will be subject to an additional level of tax as compared to the income earned by our other subsidiaries. Our taxable REIT subsidiary is a C-corporation subject to federal and state income tax. However, it has a cumulative unrecognized net operation loss carryforward and therefore there is no income tax provision for the three months ended March 31, 2025 and 2024. Additionally, the taxable REIT subsidiary had minimal activity during these periods.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions in certain circumstances that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses for the reporting periods. Actual amounts may differ from these estimates and assumptions. Management evaluates these estimates on an ongoing basis, based upon information currently available and on various assumptions that it believes are reasonable as of the date hereof. In addition, other companies in similar businesses may use different estimation policies and methodologies, which may affect the comparability of our results of operations and financial condition to those of other companies.

In our Annual Report on Form 10-K for the year ended December 31, 2024, we identified certain critical accounting policies that affect certain of our more significant estimates and assumptions used in preparing our consolidated financial statements. We have not made any material changes to our critical accounting policies and estimates during the period covered by this report.

Results of Operations

Our consolidated results of operations are often not comparable from period to period due to the effect of (i) property acquisitions, (ii) property dispositions and (iii) properties that are taken out of service for repositioning or redevelopment during the comparative reporting periods. Our “Total Portfolio” represents all of the properties owned during the reported periods. To eliminate the effect of changes in our Total Portfolio due to acquisitions, dispositions, and repositioning/redevelopment and to highlight the operating results of our on-going business, we have separately presented the results of our “Same Property Portfolio.”

For the three months ended March 31, 2025 and 2024, our Same Property Portfolio includes all properties in our industrial portfolio that were wholly-owned by us for the period from January 1, 2024 through March 31, 2025, and that were stabilized prior to January 1, 2024, which consisted of buildings aggregating approximately 38.4 million rentable square feet at 292 of our properties. Results for our Same Property Portfolio exclude properties that were acquired or sold during the period from January 1, 2024 through March 31, 2025, properties or buildings classified as current or future repositioning (including select buildings in “other repositioning”), redevelopment or lease-up during 2024 or 2025, management and leasing services revenue, interest income, interest expense and corporate general and administrative expenses.

In addition to the properties included in our Same Property Portfolio, our Total Portfolio includes the 56 properties aggregating approximately 4.6 million rentable square feet that were purchased between January 1, 2024 and March 31, 2025, and the six properties aggregating approximately 0.3 million rentable square feet that were sold between January 1, 2024 and March 31, 2025.

At March 31, 2025 and March 31, 2024, our Same Property Portfolio occupancy was approximately 95.7% and 96.6%, respectively. For the three months ended March 31, 2025 and 2024, our Same Property Portfolio weighted average occupancy was approximately 95.9% and 96.9%, respectively.

Comparison of the Three Months Ended March 31, 2025 to the Three Months Ended March 31, 2024

The following table summarizes the historical results of operations for our Same Property Portfolio and Total Portfolio for the three months ended March 31, 2025 and 2024 (dollars in thousands):

	Same Property Portfolio				Total Portfolio			
	Three Months Ended March 31,		Increase/(Decrease)	%	Three Months Ended March 31,		Increase/(Decrease)	%
	2025	2024			2025	2024		
REVENUES								
Rental income	\$ 190,259	\$ 188,059	\$ 2,200	1.2 %	\$ 248,821	\$ 210,990	\$ 37,831	17.9 %
Management and leasing services	—	—	—	— %	142	132	10	7.6 %
Interest income	—	—	—	— %	3,324	2,974	350	11.8 %
TOTAL REVENUES	190,259	188,059	2,200	1.2 %	252,287	214,096	38,191	17.8 %
OPERATING EXPENSES								
Property expenses	41,822	40,597	1,225	3.0 %	55,261	47,482	7,779	16.4 %
General and administrative	—	—	—	— %	19,868	19,980	(112)	(0.6)%
Depreciation and amortization	56,400	51,423	4,977	9.7 %	86,740	66,278	20,462	30.9 %
TOTAL OPERATING EXPENSES	98,222	92,020	6,202	6.7 %	161,869	133,740	28,129	21.0 %
OTHER EXPENSES								
Other expenses	—	—	—	— %	2,239	1,408	831	59.0 %
Interest expense	—	—	—	— %	27,288	14,671	12,617	86.0 %
TOTAL EXPENSES	98,222	92,020	6,202	6.7 %	191,396	149,819	41,577	27.8 %
Gains on sale of real estate	—	—	—	— %	13,157	—	13,157	— %
NET INCOME	\$ 92,037	\$ 96,039	\$ (4,002)	(4.2)%	\$ 74,048	\$ 64,277	\$ 9,771	15.2 %

Rental Income

In the following table, we present the components of rental income for the three months ended March 31, 2025 and March 31, 2024, which includes rental revenue, tenant reimbursements and other income related to leases. The below presentation of rental income is not, and is not intended to be, a presentation in accordance with GAAP. We are presenting this information because we believe it is frequently used by management, investors, securities analysts and other interested parties to understand and evaluate the Company's performance.

Category	Same Property Portfolio				Total Portfolio			
	Three Months Ended March 31,		Increase/(Decrease)	%	Three Months Ended March 31,		Increase/(Decrease)	%
	2025	2024			2025	2024		
Rental revenue ⁽¹⁾	\$ 157,419	\$ 155,856	\$ 1,563	1.0 %	\$ 206,091	\$ 174,494	\$ 31,597	18.1 %
Tenant reimbursements ⁽²⁾	32,087	31,514	573	1.8 %	41,856	35,650	6,206	17.4 %
Other income ⁽³⁾	753	689	64	9.3 %	874	846	28	3.3 %
Rental income	<u>\$ 190,259</u>	<u>\$ 188,059</u>	<u>\$ 2,200</u>	<u>1.2 %</u>	<u>\$ 248,821</u>	<u>\$ 210,990</u>	<u>\$ 37,831</u>	<u>17.9 %</u>

Our Same Property Portfolio and Total Portfolio rental income increased by \$2.2 million, or 1.2%, and \$37.8 million, or 17.9%, respectively, during the three months ended March 31, 2025, compared to the three months ended March 31, 2024, for the reasons described below:

(1) Rental Revenue

Our Same Property Portfolio and Total Portfolio rental revenue increased by \$1.6 million, or 1.0%, and \$31.6 million, or 18.1%, respectively, during the three months ended March 31, 2025, compared to the three months ended March 31, 2024. The increase in our Same Property Portfolio rental revenue is primarily due to an increase in average rental rates on new and renewal leases, partially offset by a decrease of \$1.6 million in amortization of net below-market lease intangibles, an increase of \$0.9 million in bad debt reserves/write-offs for tenant receivables not deemed probable of collection, and a decrease in average occupancy rates. Our Total Portfolio rental revenue was also positively impacted by the incremental revenues from the 56 properties we acquired between January 1, 2024 and March 31, 2025, and net lease termination income of \$8.9 million for the three months ended March 31, 2025, which includes lump-sum lease termination fees and write-offs of deferred rent receivables and below-market lease intangibles associated with the lease terminations.

(2) Tenant Reimbursements

Our Same Property Portfolio tenant reimbursements revenue increased by \$0.6 million, or 1.8%, and our Total Portfolio tenant reimbursements revenue increased by \$6.2 million, or 17.4%, during the three months ended March 31, 2025, compared to the three months ended March 31, 2024. The increase in our Same Property Portfolio tenant reimbursements revenue is primarily due to higher reimbursable property tax expenses and higher billings for other reimbursable expenses. Our Total Portfolio tenant reimbursements revenue was also impacted by the incremental tenant reimbursements from the 56 properties we acquired between January 1, 2024 and March 31, 2025.

(3) Other Income

Our Same Property Portfolio and Total Portfolio other income increased by \$0.1 million, or 9.3%, and \$28 thousand, or 3.3%, respectively, during the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to an increase in fees charged for legal fee reimbursement and late rental payments.

Management and Leasing Services

Our Total Portfolio management and leasing services revenue increased by \$10 thousand, or 7.6%, during the three months ended March 31, 2025, compared to the three months ended March 31, 2024.

Interest Income

Interest income increased by \$0.4 million, or 11.8%, during the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to an increase in the average cash balance invested in money market accounts.

Property Expenses

Our Same Property Portfolio and Total Portfolio property expenses increased by \$1.2 million, or 3.0%, and \$7.8 million, or 16.4%, respectively, during the three months ended March 31, 2025, compared to the three months ended March 31, 2024. The increase in our Same Property Portfolio property expenses is primarily due to increases in property tax expenses, utility expenses, insurance expenses and repairs and maintenance expenses. Our Total Portfolio property expenses were also impacted by incremental expenses from the 56 properties we acquired between January 1, 2024 and March 31, 2025.

General and Administrative

Our Total Portfolio general and administrative expenses decreased by \$0.1 million, or 0.6%, during the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to a decrease in overall employee compensation costs.

Depreciation and Amortization

Our Same Property Portfolio depreciation and amortization expense increased by \$5.0 million, or 9.7%, during the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to a \$4.0 million write-off of acquisition-related in-place-lease costs resulting from an early lease termination, an increase in depreciation expense related to capital improvements placed into service subsequent to January 1, 2024, and an increase in amortization of deferred leasing costs, including a \$0.6 million write-off of deferred leasing costs resulting from an early lease termination, partially offset by decrease in depreciation expense due to acquisition-related in-place lease intangibles becoming fully depreciated at certain of our properties subsequent to January 1, 2024. Our Total Portfolio depreciation and amortization expense increased by \$20.5 million, or 30.9%, during the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to the incremental expense from the 56 properties we acquired between January 1, 2024 and March 31, 2025.

Other Expenses

Our Total Portfolio other expenses increased by \$0.8 million from \$1.4 million for the three months ended March 31, 2024 to \$2.2 million for three months ended March 31, 2025, primarily due to \$1.5 million of severance costs associated with a workforce reduction, partially offset by a \$0.6 million decrease in construction demolition costs.

Interest Expense

Our Total Portfolio interest expense increased by \$12.6 million, or 86.0%, during the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to a \$13.2 million increase related to the aggregate \$1.15 billion of exchangeable notes offering we completed in March 2024, partially offset by a \$0.3 million decrease due to an increase in capitalized interest related to repositioning and redevelopment activity.

Gains on Sale of Real Estate

During the three months ended March 31, 2025, we recognized gains on sale of real estate of \$13.2 million from the disposition of one property that was sold for a gross sales price of \$52.5 million. During the three months ended March 31, 2024, we did not complete any property dispositions.

Non-GAAP Supplemental Measure: Funds From Operations and Core Funds From Operations

We calculate funds from operations (“FFO”) attributable to common stockholders in accordance with the standards established by the National Association of Real Estate Investment Trusts (“NAREIT”). FFO represents net income (loss) (computed in accordance with accounting principles generally accepted in the United States (“GAAP”)), excluding gains (or losses) from sales of depreciable operating property or assets incidental to our business, impairment losses of depreciable operating property or assets incidental to our business, real estate related depreciation and amortization (excluding amortization of deferred financing costs) and after adjustments for unconsolidated joint ventures.

Management uses FFO as a supplemental performance measure because, in excluding real estate related depreciation and amortization, gains and losses from property dispositions, and asset impairments, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. We also believe that, as a widely recognized measure of performance used by other REITs, FFO may be used by investors as a basis to compare our operating performance with that of other REITs.

However, because FFO excludes depreciation and amortization and captures neither the changes in the value of our properties that result from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties, all of which have real economic effects and could materially impact our results from operations, the utility of FFO as a measure of our performance is limited. Other equity REITs may not calculate or interpret FFO in accordance with the NAREIT definition as we do, and, accordingly, our FFO may not be comparable to such other REITs’ FFO. FFO should not be used as a measure of our liquidity and is not indicative of funds available for our cash needs, including our ability to pay dividends.

We calculate “Core FFO” by adjusting FFO for non-comparable items outlined in the reconciliation below. We believe that Core FFO is a useful supplemental measure and that by adjusting for items that are not considered by us to be part of our on-going operating performance, provides a more meaningful and consistent comparison of our operating and financial performance period-over-period. Because these adjustments have a real economic impact on our financial condition and results from operations, the utility of Core FFO as a measure of our performance is limited. Other REITs may not calculate Core FFO in a consistent manner. Accordingly, our Core FFO may not be comparable to other REITs’ core FFO. Core FFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance. “Company share of Core FFO” in the table below reflects Core FFO attributable to common stockholders, which excludes amounts allocable to noncontrolling interests, participating securities and preferred stockholders.

The following table sets forth a reconciliation of net income, the most directly comparable financial measure calculated and presented in accordance with GAAP, to FFO and Core FFO (in thousands):

	Three Months Ended March 31,	
	2025	2024
Net income	\$ 74,048	\$ 64,277
Adjustments:		
Depreciation and amortization	86,740	66,278
Gains on sale of real estate	(13,157)	—
Funds From Operations (FFO)	\$ 147,631	\$ 130,555
Adjustments:		
Acquisition expenses	79	50
Amortization of loss on termination of interest rate swaps	—	59
Non-capitalizable demolition costs	365	998
Severance costs associated with workforce reduction	1,483	—
Core FFO	\$ 149,558	\$ 131,662
Less: preferred stock dividends	(2,314)	(2,314)
Less: Core FFO attributable to noncontrolling interests ⁽¹⁾	(5,461)	(5,226)
Less: Core FFO attributable to participating securities ⁽²⁾	(760)	(575)
Company share of Core FFO	<u>\$ 141,023</u>	<u>\$ 123,547</u>

- (1) Noncontrolling interests represent (i) holders of outstanding common units of the Company's Operating Partnership that are owned by unit holders other than the Company and (ii) holders of Series 1 CPOP Units, Series 2 CPOP Units and Series 3 CPOP Units. On April 10, 2024, we exercised our conversion right to convert all 593,960 Series 1 preferred

units into OP Units. On March 6, 2025, we exercised our conversion right to convert all remaining 904,583 Series 2 preferred units into OP Units.

- (2) Participating securities include unvested shares of restricted stock, unvested LTIP units of partnership interest in our Operating Partnership and unvested performance units in our Operating Partnership.

Non-GAAP Supplemental Measures: NOI and Cash NOI

Net operating income (“NOI”) is a non-GAAP measure which includes the revenue and expense directly attributable to our real estate properties. NOI is calculated as rental income less property expenses (before interest expense, depreciation and amortization).

We use NOI as a supplemental performance measure because, in excluding real estate depreciation and amortization expense, general and administrative expenses, interest expense, gains (or losses) on sale of real estate and other non-operating items, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. We also believe that NOI will be useful to investors as a basis to compare our operating performance with that of other REITs. However, because NOI excludes depreciation and amortization expense and captures neither the changes in the value of our properties that result from use or market conditions, nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties (all of which have real economic effect and could materially impact our results from operations), the utility of NOI as a measure of our performance is limited. Other equity REITs may not calculate NOI in a similar manner and, accordingly, our NOI may not be comparable to such other REITs’ NOI. Accordingly, NOI should be considered only as a supplement to net income as a measure of our performance. NOI should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs. NOI should not be used as a substitute for cash flow from operating activities in accordance with GAAP.

NOI on a cash-basis (“Cash NOI”) is a non-GAAP measure, which we calculate by adding or subtracting the following items from NOI: (i) amortization of above/(below) market lease intangibles and amortization of other deferred rent resulting from sale leaseback transactions with below market leaseback payments and (ii) straight-line rental revenue adjustments. We use Cash NOI, together with NOI, as a supplemental performance measure. Cash NOI should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs. Cash NOI should not be used as a substitute for cash flow from operating activities computed in accordance with GAAP.

The following table sets forth the revenue and expense items comprising NOI and the adjustments to calculate Cash NOI (in thousands):

	Three Months Ended March 31,	
	2025	2024
Rental income	\$ 248,821	\$ 210,990
Less: Property expenses	55,261	47,482
Net Operating Income	\$ 193,560	\$ 163,508
Above/(below) market lease revenue adjustments	(9,186)	(7,591)
Straight line rental revenue adjustment	(5,517)	(7,368)
Cash Net Operating Income	\$ 178,857	\$ 148,549

The following table sets forth a reconciliation of net income, the most directly comparable financial measure calculated and presented in accordance with GAAP, to NOI and Cash NOI (in thousands):

	Three Months Ended March 31,	
	2025	2024
Net income	\$ 74,048	\$ 64,277
Adjustments:		
General and administrative	19,868	19,980
Depreciation and amortization	86,740	66,278
Other expenses	2,239	1,408
Interest expense	27,288	14,671
Management and leasing services	(142)	(132)
Interest income	(3,324)	(2,974)
Gains on sale of real estate	(13,157)	—
Net Operating Income	\$ 193,560	\$ 163,508
Above/(below) market lease revenue adjustments	(9,186)	(7,591)
Straight line rental revenue adjustment	(5,517)	(7,368)
Cash Net Operating Income	\$ 178,857	\$ 148,549

Non-GAAP Supplemental Measure: EBITDA_{re}

We calculate earnings before interest expense, income taxes, depreciation and amortization for real estate (“EBITDA_{re}”) in accordance with the standards established by NAREIT. EBITDA_{re} is calculated as net income (loss) (computed in accordance with GAAP), before interest expense, income tax expense, depreciation and amortization, gains (or losses) from sales of depreciable operating property or assets incidental to our business, impairment losses of depreciable operating property or assets incidental to our business and adjustments for unconsolidated joint ventures.

We believe that EBITDA_{re} is helpful to investors as a supplemental measure of our operating performance as a real estate company because it is a direct measure of the actual operating results of our properties. We also use this measure in ratios to compare our performance to that of our industry peers. In addition, we believe EBITDA_{re} is frequently used by securities analysts, investors and other interested parties in the evaluation of equity REITs. However, our industry peers may not calculate EBITDA_{re} in accordance with the NAREIT definition as we do and, accordingly, our EBITDA_{re} may not be comparable to our peers’ EBITDA_{re}. Accordingly, EBITDA_{re} should be considered only as a supplement to net income (loss) as a measure of our performance.

The following table sets forth a reconciliation of net income, the most directly comparable financial measure calculated and presented in accordance with GAAP, to EBITDA_{re} (in thousands):

	Three Months Ended March 31,	
	2025	2024
Net income	\$ 74,048	\$ 64,277
Interest expense	27,288	14,671
Depreciation and amortization	86,740	66,278
Gains on sale of real estate	(13,157)	—
EBITDA _{re}	\$ 174,919	\$ 145,226

Supplemental Guarantor Information

Subsidiary issuers of obligations guaranteed by the parent are not required to provide separate financial statements, provided that the parent guarantee is “full and unconditional,” the subsidiary obligor is consolidated into the parent company’s consolidated financial statements and, subject to certain exceptions as set forth below, the alternative disclosure required by Rule 13-01 is provided, which includes narrative disclosure and summarized financial information. The Company and the Operating Partnership have filed a registration statement on Form S-3 with the SEC registering, among other securities, debt securities of the Operating Partnership, which will be fully and unconditionally guaranteed by the Company. At March 31, 2025, the Operating Partnership had issued and outstanding \$300.0 million of 5.000% Senior Notes due 2028 (the “\$300 Million Notes due 2028”), \$400.0 million of 2.125% Senior Notes due 2030 (the “\$400 Million Notes due 2030”), \$400 million of 2.150% Senior Notes due 2031 (the “\$400 Million Notes due 2031”), \$575.0 million of 4.375% Exchangeable Senior Notes due 2027 (the “2027 Exchangeable Notes”) and \$575.0 million of 4.125% Exchangeable Senior Notes due 2029 (the “2029 Exchangeable Notes”) and together with the 2027 Exchangeable Notes, the “Exchangeable Notes”). The obligations of the Operating Partnership to pay principal, premiums, if any, and interest on the \$300 Million Notes due 2028, \$400 Million Notes due 2030, \$400 Million Notes due 2031 and Exchangeable Notes are guaranteed on a senior basis by the Company. The guarantee is full and unconditional, and the Operating Partnership is a consolidated subsidiary of the Company. Accordingly, separate consolidated financial statements of the Operating Partnership have not been presented.

Furthermore, as permitted under Rule 13-01(a)(4)(vi), the Company has excluded the summarized financial information for the Operating Partnership as the assets, liabilities and results of operations of the Company and the Operating Partnership are not materially different than the corresponding amounts presented in the consolidated financial statements of the Company, and management believes such summarized financial information would be repetitive and not provide incremental value to investors.

Financial Condition, Liquidity and Capital Resources

Overview

Our short-term liquidity requirements consist primarily of funds to pay for operating expenses, interest expense, general and administrative expenses, capital expenditures, tenant improvements and leasing commissions, and distributions to our common and preferred stockholders and holders of common units of partnership interests in our Operating Partnership (“OP Units”). We expect to meet our short-term liquidity requirements through available cash on hand, cash flow from operations, by drawing on our unsecured revolving credit facility and by issuing shares of common stock pursuant to our at-the-market equity offering program or issuing other securities as described below.

Our long-term liquidity needs consist primarily of funds necessary to pay for acquisitions, recurring and non-recurring capital expenditures and scheduled debt maturities. We intend to satisfy our long-term liquidity needs through net cash flow from operations, proceeds from long-term secured and unsecured financings, borrowings available under our unsecured revolving credit facility, the issuance of equity securities, including preferred stock, and proceeds from selective real estate dispositions as we identify capital recycling opportunities.

As of March 31, 2025, we had:

- Outstanding fixed-rate and variable-rate debt with varying maturities for an aggregate principal amount of \$3.4 billion, with \$567.7 million due within 12 months (including the \$400 million unsecured term loan facility maturing on July 18, 2025, which can be extended for one remaining one-year term at our option, the \$100 million unsecured senior notes maturing on August 6, 2025 and the \$60.0 million term loan facility maturing on October 27, 2025, which can be extended for two remaining one-year terms at our option);
- Total scheduled interest payments on our fixed rate debt and projected net interest payments on our variable rate debt and interest rate swaps of \$389.6 million, of which \$113.6 million is due within 12 months;
- Commitments of \$121.3 million for tenant improvements under certain tenant leases and construction work related to obligations under contractual agreements with our construction vendors; and
- Operating lease commitments with aggregate lease payments of \$25.2 million, of which \$1.7 million is due within 12 months.

See “Note 6 – Notes Payable” to the consolidated financial statements included in Item 1 of this Report on Form 10-Q for further details regarding the scheduled principal payments. Also see “Note 7 – Leases” to the consolidated financial statements for further details regarding the scheduled operating lease payments.

As of March 31, 2025, our cash and cash equivalents were \$504.6 million, and we did not have borrowings outstanding under our unsecured revolving credit facility, leaving \$995.0 million available for future borrowings after giving effect to the \$5.0 million letter of credit that was issued under the unsecured revolving credit facility.

Sources of Liquidity

Cash Flow from Operations

Cash flow from operations is one of our key sources of liquidity and is primarily dependent upon: (i) the occupancy levels and lease rates at our properties, (ii) our ability to collect rent, (iii) the level of operating costs we incur and (iv) our ability to pass through operating expenses to our tenants. We are subject to a number of risks related to general economic and other unpredictable conditions, which have the potential to affect our overall performance and resulting cash flows from operations. However, based on our current portfolio mix and business strategy, we anticipate that we will be able to generate positive cash flows from operations.

ATM Program

On February 17, 2023, we established an at-the-market equity offering program (“ATM program”) pursuant to which we are able to sell from time to time shares of our common stock having an aggregate sales price of up to \$1.25 billion (the “2023 ATM Program”).

In connection with our ATM program, we may sell shares of our common stock directly through sales agents or we may enter into forward equity sale agreements with certain financial institutions acting as forward purchasers whereby, at our discretion, the forward purchasers may borrow and sell shares of our common stock under ATM program. The use of a forward equity sale agreement allows us to lock in a share price on the sale of shares of our common stock at the time the agreement is executed but defer settling the forward equity sale agreements and receiving the proceeds from the sale of shares until a later date. Additionally, the forward price that we expect to receive upon physical settlement of an agreement will be subject to adjustment for (i) a floating interest rate factor equal to a specified daily rate less a spread, (ii) the forward purchaser’s stock borrowing costs and (iii) scheduled dividends during the term of the agreement.

During the three months ended March 31, 2025, we did not sell any shares of common stock directly through sales agents or enter into any forward equity sale agreements under the 2023 ATM Program.

As of March 31, 2025, approximately \$927.4 million of common stock remains available to be sold under the 2023 ATM Program. Future sales, if any, will depend on a variety of factors, including among others, market conditions, the trading price of our common stock, determinations by us of the appropriate sources of funding for us and potential uses of funding available to us.

Securities Offerings

We evaluate the capital markets on an ongoing basis for opportunities to raise capital, and as circumstances warrant, we may issue additional securities, from time to time, to fund acquisitions, for the repayment of long-term debt upon maturity and for other general corporate purposes. Such securities may include common equity, preferred equity and/or debt of us or our subsidiaries. Any future issuance, however, is dependent upon market conditions, available pricing and capital needs and there can be no assurance that we will be able to complete any such offerings of securities.

March 2024 Forward Equity Offering — In March 2024, we entered into a forward equity sale agreement with a financial institution acting as forward purchaser in connection with an underwritten public offering of 17,179,318 shares of common stock (the “March 2024 Forward Sale Agreement”), pursuant to which, the forward purchaser borrowed and sold an aggregate of 17,179,318 shares of common stock in the offering. We did not receive any proceeds from the sale of common shares by the forward purchaser at the time of the offering. During 2024, we partially settled the March 2024 Forward Sale Agreement by issuing 7,402,550 shares of common stock, leaving a remaining 9,776,768 shares of common stock for settlement as of December 31, 2024.

During the three months ended March 31, 2025, we settled the remaining portion of the March 2024 Forward Sale Agreement by issuing the remaining 9,776,768 shares of common stock for net proceeds of \$478.0 million, based on a weighted average forward price of \$48.89 per share at settlement.

Capital Recycling

We continuously evaluate opportunities for the potential disposition of properties in our portfolio when we believe such disposition is appropriate in view of our business objectives. In evaluating these opportunities, we consider a variety of criteria including, but not limited to, local market conditions and lease rates, asset type and location, as well as potential uses of proceeds and tax considerations. Tax considerations include entering into tax-deferred like-kind exchanges under Section 1031 of the Code (“1031 Exchange”), when possible, to defer some or all of the taxable gains, if any, on dispositions.

During the three months ended March 31, 2025, we completed the sale of one property for an gross sales price of \$52.5 million and net cash proceeds of \$50.1 million. Subsequent to the first quarter of 2025, we sold one property for a gross sale price of \$50.9 million and net cash proceeds of \$49.2 million. Cash proceeds from the sale of these properties are classified as restricted cash and are being held by qualified intermediaries for purposes of facilitating tax-deferred like-kind exchanges under 1031 Exchange. However, we may or may not find replacement properties that meet our investment criteria within the 180 day 1031 Exchange period.

We anticipate continuing to selectively and opportunistically dispose of properties, however, the timing of any potential future dispositions will depend on market conditions, asset-specific circumstances or opportunities, and our capital needs. Our ability to dispose of selective properties on advantageous terms, or at all, is dependent upon a number of factors including the availability of credit to potential buyers to purchase properties at prices that we consider acceptable.

Investment Grade Rating

Our credit ratings at March 31, 2025, were Baa2 (Stable outlook) from Moody’s and BBB+ (Stable outlook) from both S&P and Fitch with respect to our Credit Agreement (described below), Exchangeable Notes, \$100.0 million unsecured guaranteed senior notes (the “\$100 Million Notes”), \$25.0 million unsecured guaranteed senior notes and \$75.0 million unsecured guaranteed senior notes (together the “Series 2019A and 2019B Notes”), \$300 Million Notes, \$400 Million Notes due 2030 and \$400 Million Notes due 2031. Our credit ratings at March 31, 2025, were BBB- from both S&P and Fitch with respect to our 5.875% Series B Cumulative Redeemable Preferred Stock and our 5.625% Series C Cumulative Redeemable Preferred Stock. Our credit ratings are based on our operating performance, liquidity and leverage ratios, overall financial position and other factors employed by the credit rating agencies in their rating analysis of us, and, although it is our intent to maintain our investment grade credit rating, there can be no assurance that we will be able to maintain our current credit ratings. In the event our current credit ratings are downgraded, it may become difficult or more expensive to obtain additional financing or refinance existing indebtedness as maturities become due.

Credit Agreement

As of March 31, 2025, under the Fourth Amended and Restated Credit Agreement (the “Credit Agreement”), we have an unsecured revolving credit facility with a borrowing capacity of \$1.0 billion (the “Revolver”), which also allows us to issue letters of credit up to an aggregate amount not to exceed \$100.0 million, a \$300.0 million unsecured term loan facility (the “\$300 Million Term Loan”) and a \$400.0 million unsecured term loan facility (the “\$400 Million Term Loan” and together with the \$300 Million Term Loan, the “Term Facility”). Subject to certain terms and conditions set forth in the Credit Agreement, we may request additional lender commitments and increase the size of the Credit Agreement by an additional \$800.0 million, which may be comprised of additional revolving commitments under the Revolver, an increase to the Term Facility, additional term loan tranches or any combination of the foregoing.

The Revolver is scheduled to mature on May 26, 2026 and has two six-month extension options available. The \$400 Million Term Loan is scheduled to mature on July 18, 2025 and has one remaining one-year extension option available. The \$300 Million Term Loan matures on May 26, 2027.

Interest on the Credit Agreement is generally to be paid based upon, at our option, either (i) 1-month SOFR (“Term SOFR”) plus the applicable margin; (ii) daily Secured Overnight Financing Rate (“SOFR”) plus the applicable margin or (iii) the applicable base rate (which is defined as the highest of (a) the federal funds rate plus 0.50%, (b) the administrative agent’s prime rate, (c) Term SOFR plus 1.00%, and (d) one percent (1.00%) plus the applicable margin). Additionally, Term SOFR and daily SOFR will be increased by a 0.10% SOFR adjustment. The applicable margin for the Term Facility ranges from 0.80% to 1.60% per annum for SOFR-based loans and 0.00% to 0.60% per annum for base rate loans, depending on our leverage ratio and investment grade ratings. The applicable margin for the Revolver ranges from 0.725% to 1.400% per annum for SOFR-based loans and letters of credit and 0.00% to 0.40% per annum for base rate loans, depending on our leverage ratio and investment grade ratings. In addition to the interest payable on amounts outstanding under the Revolver, we are required to pay an applicable credit facility fee, on each lender’s commitment amount under the Revolver, regardless of usage. The applicable credit facility fee ranges from 0.125% to 0.300% per annum, depending on our leverage ratio and investment grade rating.

In addition, the Credit Agreement also features a sustainability-linked pricing component that can periodically adjust

the applicable margin by -0.04%, zero or 0.04% and adjust the applicable credit facility fee by -0.01%, zero or 0.01%, depending on our achievement of the annual sustainability performance metric. As of March 31, 2025, the sustainability-linked pricing adjustment was zero for both the applicable margin and the credit facility fee.

The Revolver and the Term Facility may be voluntarily prepaid in whole or in part at any time without premium or penalty. Amounts borrowed under the Term Facility and repaid or prepaid may not be reborrowed.

The Credit Agreement contains usual and customary events of default including defaults in the payment of principal, interest or fees, defaults in compliance with the covenants set forth in the Credit Agreement and other loan documentation, cross-defaults to certain other indebtedness, and bankruptcy and other insolvency defaults. If an event of default occurs and is continuing under the Credit Agreement, the unpaid principal amount of all outstanding loans, together with all accrued unpaid interest and other amounts owing in respect thereof, may be declared immediately due and payable.

As of the filing date of this Quarterly Report on Form 10-Q, we did not have any borrowings outstanding under the Revolver and had \$5.0 million outstanding in letters of credit that reduced our borrowing capacity, leaving \$995.0 million available for future borrowings.

Uses of Liquidity

Acquisitions

One of our most significant liquidity needs has historically been for the acquisition of real estate properties. Year to date, as of the filing date of this Quarterly Report on Form 10-Q, we did not acquire any properties. However, we are actively monitoring a volume of properties in our markets that we believe represent attractive potential investment opportunities to continue to grow our business. As of the filing date of this Quarterly Report, we have no acquisitions under contract or accepted offer. While the actual number of acquisitions that we complete will be dependent upon a number of factors, in the short term, we expect to fund our future acquisitions through restricted cash currently being held at qualified intermediaries, available cash on hand, cash flows from operations, borrowings available under the Revolver, recycling capital through property dispositions and, in the long term, through the issuance of equity securities or proceeds from long-term secured and unsecured financings.

Recurring and Nonrecurring Capital Expenditures

Capital expenditures are considered part of both our short-term and long-term liquidity requirements. As discussed above under — Factors that May Influence Future Results — Acquisitions and Value-Add Repositioning and Redevelopment of Properties, as of March 31, 2025, 31 of our properties were under current repositioning/redevelopment or lease-up. We currently estimate that approximately \$163.5 million of capital will be required over the next few years to complete the repositioning/redevelopment of these properties. However, this estimate is based on our current construction plans and budgets, both of which are subject to change as a result of a number of factors, including increased costs of building materials or construction services (including as a result of trade disputes and tariffs) and construction delays related to supply chain backlogs and increased lead time on building materials. If we are unable to complete construction on schedule or within budget, we could incur increased construction costs and experience potential delays in leasing the properties. We expect to fund these projects through a combination of available cash on hand, the issuance of common stock under the 2023 ATM Program, cash flow from operations and borrowings available under the Revolver.

The following table sets forth certain information regarding non-recurring and recurring capital expenditures at the properties in our portfolio as follows:

	Three Months Ended March 31, 2025		
	Total⁽¹⁾	Square Feet⁽²⁾	Per Square Foot⁽³⁾
Non-Recurring Capital Expenditures ⁽⁴⁾	\$ 43,361	29,600,513	\$ 1.46
Recurring Capital Expenditures ⁽⁵⁾	1,311	51,075,653	\$ 0.03
Total Capital Expenditures	\$ 44,672		

(1) Cost is reported in thousands. Excludes the following capitalized costs: (i) compensation costs of personnel directly responsible for and who spend their time on redevelopment, renovation and rehabilitation activity and (ii) interest, property taxes and insurance costs incurred during the pre-construction and construction periods of repositioning or redevelopment projects.

- (2) For non-recurring capital expenditures, reflects the aggregate square footage of the properties in which we incurred such capital expenditures. For recurring capital expenditures, reflects the weighted average square footage of our consolidated portfolio during the period.
- (3) Per square foot amounts are calculated by dividing the aggregate capital expenditure costs by the square footage as defined in (2) above.
- (4) Non-recurring capital expenditures are expenditures made in respect of a property for repositioning, redevelopment, or other major upgrade or renovation of such property, and further includes capital expenditures for seismic upgrades, roof or parking lot replacements or capital expenditures for deferred maintenance existing at the time such property was acquired.
- (5) Recurring capital expenditures are expenditures made in respect of a property for maintenance of such property and replacement of items due to ordinary wear and tear including, but not limited to, expenditures made for maintenance of parking lot, roofing materials, mechanical systems, HVAC systems and other structural systems.

Dividends and Distributions

In order to maintain our qualification as a REIT, we are required to distribute annually at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gains. To satisfy the requirements to qualify as a REIT and generally not be subject to U.S. federal income tax, we intend to distribute a percentage of our cash flow on a quarterly basis to holders of our common stock. In addition, we intend to make distribution payments to holders of OP Units and preferred units and dividend payments to holders of our preferred stock.

On April 14, 2025, our board of directors declared the following quarterly cash dividends/distributions record dates and payment dates.

Security	Amount per Share/Unit	Record Date	Payment Date
Common stock	\$ 0.43	June 30, 2025	July 15, 2025
OP Units	\$ 0.43	June 30, 2025	July 15, 2025
5.875% Series B Cumulative Redeemable Preferred Stock	\$ 0.367188	June 16, 2025	June 30, 2025
5.625% Series C Cumulative Redeemable Preferred Stock	\$ 0.351563	June 16, 2025	June 30, 2025
3.00% Cumulative Redeemable Convertible Preferred Units	\$ 0.545462	June 16, 2025	June 30, 2025

Stock Repurchase Program

On February 3, 2025, our board of directors authorized a stock repurchase program for up to \$300.0 million of our outstanding common stock (the “Stock Repurchase Program”). Under the Stock Repurchase Program, we may purchase our shares from time to time in the open market, in privately negotiated transactions or in other transactions as permitted by federal securities laws. The amount and timing of the purchase will depend on a number of factors including the price and availability of our shares, trading volume and general market conditions. The Stock Repurchase Program expires on February 3, 2027. As of March 31, 2025, no shares had been purchased under the Stock Repurchase Program.

Indebtedness Outstanding

The following table sets forth certain information with respect to our consolidated indebtedness outstanding as of March 31, 2025:

	Contractual Maturity Date	Margin Above SOFR	Effective Interest Rate ⁽¹⁾	Principal Balance (in thousands) ⁽²⁾
Unsecured and Secured Debt:				
Unsecured Debt:				
Revolving Credit Facility	5/26/2026 ⁽³⁾	S+0.725 % ⁽⁴⁾	5.235 % ⁽⁵⁾	\$ —
\$400M Term Loan	7/18/2025 ⁽³⁾	S+0.800 % ⁽⁴⁾	4.872 % ⁽⁶⁾	400,000
\$100M Senior Notes	8/6/2025	n/a	4.290 %	100,000
\$575M Exchangeable Senior Notes due 2027 ⁽⁷⁾	3/15/2027	n/a	4.375 %	575,000
\$300M Term Loan	5/26/2027	S+0.800 % ⁽⁴⁾	3.717 % ⁽⁸⁾	300,000
\$125M Senior Notes	7/13/2027	n/a	3.930 %	125,000
\$300M Senior Notes due 2028	6/15/2028	n/a	5.000 %	300,000
\$575M Exchangeable Senior Notes due 2029 ⁽⁷⁾	3/15/2029	n/a	4.125 %	575,000
\$25M Series 2019A Senior Notes	7/16/2029	n/a	3.880 %	25,000
\$400M Senior Notes due 2030	12/1/2030	n/a	2.125 %	400,000
\$400M Senior Notes due 2031	9/1/2031	n/a	2.150 %	400,000
\$75M Series 2019B Senior Notes	7/16/2034	n/a	4.030 %	75,000
Total Unsecured Debt				\$ 3,275,000
Secured Debt:				
\$60M Term Loan ⁽⁹⁾	10/27/2025 ⁽⁹⁾	S+1.250 % ⁽⁹⁾	5.060 %	\$ 60,000
701-751 Kingshill Place	1/5/2026	n/a	3.900 %	6,818
13943-13955 Balboa Boulevard	7/1/2027	n/a	3.930 %	14,115
2205 126th Street	12/1/2027	n/a	3.910 %	5,200
2410-2420 Santa Fe Avenue	1/1/2028	n/a	3.700 %	10,300
11832-11954 La Cienega Boulevard	7/1/2028	n/a	4.260 %	3,751
Gilbert/La Palma	3/1/2031	n/a	5.125 %	1,485
7817 Woodley Avenue	8/1/2039	n/a	4.140 %	2,714
Total Secured Debt				\$ 104,383
Total Consolidated Debt			3.835 %	\$ 3,379,383

- (1) Reflects the contractual interest rate under the terms of each loan as of March 31, 2025, and includes the effect of interest rate swaps that were effective as of March 31, 2025. The interest rate is not adjusted to include the amortization of debt issuance costs or unamortized fair market value premiums/discounts or the facility fee on the Revolver.
- (2) Excludes unamortized debt issuance costs and premiums/discounts totaling \$31.3 million, which are presented as a reduction of the carrying value of our debt in our consolidated balance sheet as of March 31, 2025.
- (3) The Revolver has two six-month extensions and the \$400 Million Term Loan has one remaining one-year extension available at the borrower's option, subject to certain terms and conditions.
- (4) As of March 31, 2025, the interest rates on these loans are comprised of daily SOFR for both the Revolver and the \$400 Million Term Loan and Term SOFR for the \$300 Million Term Loan (in each case increased by a 0.10% SOFR adjustment), plus an applicable margin of 0.725% per annum for the Revolver and 0.80% per annum for the Term Loans, and a sustainability-related rate adjustment of zero. These loans are also subject to a 0% SOFR floor.
- (5) The Revolver is subject to an applicable facility fee which is calculated as a percentage of the total lenders' commitment amount, regardless of usage. As of March 31, 2025, the applicable facility fee is 0.125% per annum with a sustainability-related rate adjustment of zero. The effective rate assumes daily SOFR of 4.410% as of March 31, 2025.

- (6) As of March 31, 2025, daily SOFR for the \$400 Million Term Loan has been swapped to a fixed rate of 3.97231%, resulting in an all-in fixed rate of 4.87231% after adding the SOFR adjustment, applicable margin and sustainability-related rate adjustment.
- (7) Noteholders have the right to exchange their notes upon the occurrence of certain events. Exchanges will be settled by delivering cash up to the principal amount of the Exchangeable Notes exchanged, and in respect of the remainder of the exchanged value, if any, in excess thereof, in cash or in a combination of cash and shares of our common stock, at our option.
- (8) As of March 31, 2025, Term SOFR for the \$300 Million Term Loan has been swapped to a fixed rate of 2.81725%, resulting in an all-in fixed rate of 3.71725% after adding the SOFR adjustment, applicable margin and sustainability-related rate adjustment.
- (9) The \$60.0 million term loan facility (the “\$60 Million Term Loan”) has interest-only payment terms bearing interest at Term SOFR increased by a 0.10% SOFR adjustment plus an applicable margin of 1.25% per annum. As of March 31, 2025, Term SOFR for this loan has been swapped to a fixed rate of 3.710%, resulting in an all-in fixed rate of 5.060% after adding the SOFR adjustment and applicable margin. The loan is secured by six properties and has two remaining one-year extensions available at the borrower’s option, subject to certain terms and conditions.

The following table summarizes the composition of our consolidated debt between fixed-rate and variable-rate and secured and unsecured debt as of March 31, 2025:

	Weighted Average Term Remaining (in years)	Effective Interest Rate ⁽¹⁾	Principal Balance (in thousands) ⁽²⁾	% of Total
Fixed vs. Variable:				
Fixed ⁽³⁾	3.3	3.835%	\$ 3,379,383	100%
Variable	—	—%	\$ —	—%
Secured vs. Unsecured:				
Secured	1.7	4.588%	\$ 104,383	3%
Unsecured	3.4	3.811%	\$ 3,275,000	97%

- (1) Includes the effect of interest rate swaps that were effective as of March 31, 2025. Interest rates are not adjusted to include the amortization of debt issuance costs or unamortized fair market value premiums/discounts or the facility fee on the Revolver.
- (2) Excludes unamortized debt issuance costs and premiums/discounts totaling \$31.3 million, which are presented as a reduction of the carrying value of our debt in our consolidated balance sheet as of March 31, 2025.
- (3) Fixed-rate debt includes our variable rate debts that have been effectively fixed through the use of interest rate swaps through maturity.

At March 31, 2025, we had consolidated indebtedness of \$3.4 billion, reflecting a net debt to total combined market capitalization of approximately 22.8%. Our total market capitalization is defined as the sum of the liquidation preference of our outstanding preferred stock and preferred units plus the market value of our common stock excluding shares of nonvested restricted stock, plus the aggregate value of common units not owned by us, plus the value of our net debt. Our net debt is defined as our consolidated indebtedness less cash and cash equivalents.

Debt Covenants

The Credit Agreement, \$60 Million Term Loan, \$100 Million Notes, \$125 Million Notes and Series 2019A and 2019B Notes all include a series of financial and other covenants that we must comply with, including the following covenants which are tested on a quarterly basis:

- Maintaining a ratio of total indebtedness to total asset value of not more than 60%;
- For the Credit Agreement and \$60 Million Term Loan, maintaining a ratio of secured debt to total asset value of not more than 45%;
- For the \$100 Million Notes, \$125 Million Notes and Series 2019A and 2019B Notes (together the “Senior Notes”), maintaining a ratio of secured debt to total asset value of not more than 40%;
- For the Senior Notes, maintaining a ratio of total secured recourse debt to total asset value of not more than 15%;

- For the Senior Notes, maintaining a minimum tangible net worth of at least the sum of (i) \$760,740,750, and (ii) an amount equal to at least 75% of the net equity proceeds received by the Company after September 30, 2016;
- Maintaining a ratio of adjusted EBITDA (as defined in each of the loan agreements) to fixed charges of at least 1.5 to 1.0;
- For the Credit Agreement and Senior Notes, maintaining a ratio of total unsecured debt to total unencumbered asset value of not more than 60%; and
- For the Credit Agreement and Senior Notes, maintaining a ratio of unencumbered NOI (as defined in each of the loan agreements) to unsecured interest expense of at least 1.75 to 1.00.

The \$300 Million Notes due 2028, \$400 Million Notes due 2030 and \$400 Million Notes due 2031 (together the “Registered Notes”) contain the following covenants (as defined in the indentures) that we must comply with:

- Maintaining a ratio of total indebtedness to total asset value of not more than 60%;
- Maintaining a ratio of secured debt to total asset value of not more than 40%;
- Maintaining a Debt Service Coverage Ratio of at least 1.5 to 1.0; and
- Maintaining a ratio of unencumbered assets to unsecured debt of at least 1.5 to 1.0.

Subject to the terms of the Credit Agreement, \$60 Million Term Loan, Senior Notes and Registered Notes, upon certain events of default, including, but not limited to, (i) a default in the payment of any principal or interest, (ii) a default in the payment of certain of our other indebtedness and (iii) a default in compliance with the covenants set forth in the debt agreement, the principal and accrued and unpaid interest on the outstanding debt may be declared immediately due and payable at the option of the administrative agent, lenders, trustee and/or noteholders, as applicable, and in the event of bankruptcy and other insolvency defaults, the principal and accrued and unpaid interest on the outstanding debt will become immediately due and payable. In addition, we are required to maintain at all times a credit rating on the Senior Notes from either S&P, Moody’s or Fitch.

We were in compliance with all of our required quarterly financial debt covenants as of March 31, 2025.

Cash Flows

Comparison of the Three Months Ended March 31, 2025 to the Three Months Ended March 31, 2024

The following table summarizes the changes in net cash flows associated with our operating, investing, and financing activities for the three months ended March 31, 2025 and 2024 (in thousands):

	Three Months Ended March 31,		Change
	2025	2024	
Cash provided by operating activities	\$ 152,551	\$ 133,756	\$ 18,795
Cash used in investing activities	\$ (29,043)	\$ (1,153,782)	\$ 1,124,739
Cash provided by financing activities	\$ 375,205	\$ 1,323,542	\$ (948,337)

Net cash provided by operating activities. Net cash provided by operating activities increased by \$18.8 million to \$152.6 million for the three months ended March 31, 2025, compared to \$133.8 million for the three months ended March 31, 2024. The increase was primarily attributable to the incremental cash flows from property acquisitions completed during 2024 and the increase in Cash NOI from our Same Property Portfolio, partially offset by higher cash interest paid as compared to the prior year period and changes in working capital.

Net cash used in investing activities. Net cash used in investing activities decreased by \$1.12 billion to \$29.0 million for the three months ended March 31, 2025, compared to \$1.15 billion for the three months ended March 31, 2024. The decrease was primarily attributable to a \$1.07 billion decrease in cash paid for property acquisitions and a \$50.1 million increase in proceeds from the sale of real estate for comparable periods.

Net cash provided by financing activities. Net cash provided by financing activities decreased by \$948.3 million to \$375.2 million for the three months ended March 31, 2025, compared to \$1.3 billion for the three months ended March 31, 2024. The decrease was primarily attributable to a decrease of \$1.1 billion in net cash proceeds from the issuance of the Exchangeable Notes in March 2024, partially offset by an increase of \$187.5 million in net cash proceeds from the issuance of shares of our common stock.

Inflation

We do not believe that inflation has historically had a material impact on the Company. While currently moderating, significant inflation in recent years has resulted in increased operating expenses, capital expenditures and cost of our variable-rate borrowings which could have a material impact on our financial position or results of operations. The majority of our leases are either triple net or provide for tenant reimbursement for costs related to real estate taxes and operating expenses. In addition, most of the leases provide for fixed rent increases. We believe that inflationary increases to real estate taxes, utility expenses and other operating expenses may be partially offset by the contractual rent increases and tenant payment of taxes and expenses described above.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risk refers to the risk of loss from adverse changes in market prices and interest rates. A key market risk we face is interest rate risk. We are exposed to interest rate changes primarily as a result of using variable-rate debt to satisfy various short-term and long-term liquidity needs, which have interest rates based upon SOFR. We use interest rate swaps to manage, or hedge, interest rate risks related to our borrowings. Because actual interest rate movements over time are uncertain, our swaps pose potential interest rate risks, notably if interest rates fall. We also expose ourselves to credit risk, which we attempt to minimize by contracting with highly-rated banking financial counterparties. For a summary of our outstanding debt, see Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources. For a summary of our interest rate swaps and recent transactions, see "Note 8 – Interest Rate Derivatives" to our consolidated financial statements.

As of March 31, 2025, we had total consolidated indebtedness, excluding unamortized debt issuance costs and premiums/discounts, of \$3.38 billion. As of March 31, 2025, 100% of this consolidated indebtedness is fixed-rate debt under the terms of the loan or through the use of interest rate swaps. As such, as of March 31, 2025, if SOFR were to increase or decrease, there would be no impact to interest expense or future earnings and cash flows.

Interest risk amounts are our management's estimates and are determined by considering the effect of hypothetical interest rates on our financial instruments. We calculate interest sensitivity by multiplying the amount of variable rate debt outstanding by the respective change in rate. The sensitivity analysis does not take into consideration the possibility of future changes in the balances or fair value of our floating rate debt or the effect of any change in overall economic activity that could occur in that environment. Further, in the event of a change of that magnitude, we may take actions to further mitigate our exposure to the change. However, due to the uncertainty of the specific actions that would be taken and their possible effects, this analysis assumes no changes in our financial structure.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rule 13a-15(e) or Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended, (the “Exchange Act”)) that are designed to ensure that information required to be disclosed in our reports under the Exchange Act is processed, recorded, summarized, and reported within the time periods specified in the Security and Exchange Commission’s rules and forms and that such information is accumulated and communicated to management, including the Co-Chief Executive Officers and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure.

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by SEC Rule 13a-15(b), we carried out an evaluation, under the supervision and with the participation of management, including our Co-Chief Executive Officers and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2025, the end of the period covered by this report.

Based on the foregoing, our Co-Chief Executive Officers and Chief Financial Officer concluded that, as of March 31, 2025, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting. There have been no significant changes that occurred during the period covered by this report in the Company’s internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we are party to various lawsuits, claims and legal proceedings that arise in the ordinary course of business. We are not currently a party to any legal proceedings that we believe would reasonably be expected to have a material adverse effect on our business, financial condition or results of operations.

Item 1A. Risk Factors

Please refer to our Risk Factors as set forth in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024. There have been no material changes to the risk factors as set forth in that document.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) Unregistered Sales of Equity Securities

None.

(b) Use of Proceeds

None.

(c) Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or approximate dollar value) of Shares that May Yet Be Purchased Under the Plans or Programs
January 1, 2025 to January 31, 2025	15,636	\$ 39.02	N/A	N/A
February 1, 2025 to February 28, 2025	500	\$ 40.04	N/A	N/A
March 1, 2025 to March 31, 2025	24,360	\$ 41.30	N/A	N/A
	<u>40,496</u>	<u>\$ 40.41</u>	N/A	N/A

(1) Reflects shares of common stock that were tendered by certain of our employees to satisfy tax withholding obligations related to the vesting of restricted shares of common stock.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

(a). None

(b). None

(c). During the three months ended March 31, 2025, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each such term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit	
3.1	<u>Articles of Amendment and Restatement of Rexford Industrial Realty, Inc. (incorporated by reference to Exhibit 3.1 of Form S-11/A, filed by the registrant on July 15, 2013).</u>
3.2	<u>Fifth Amended and Restated Bylaws of Rexford Industrial Realty, Inc. (incorporated by reference to Exhibit 3.1 of Form 8-K, filed by the registrant on April 7, 2023).</u>
3.3	<u>Articles Supplementary designating the Series B Preferred Stock of Rexford Industrial Realty, Inc. (incorporated by reference to Exhibit 3.3 of Form 8-A, filed by the registrant on November 9, 2017).</u>
3.4	<u>Articles Supplementary designating the Series C Preferred Stock of Rexford Industrial Realty, Inc. (incorporated by reference to Exhibit 3.3 of Form 8-A, filed by the registrant on September 19, 2019).</u>
3.5	<u>Eighth Amended and Restated Agreement of Limited Partnership of Rexford Industrial Realty, L.P. (incorporated by reference to Exhibit 10.1 of Form 8-K, filed by the registrant on March 21, 2022).</u>
10.1	<u>Employment Agreement, effective November 18, 2024, and amended effective March 26, 2025, between Michael P. Fitzmaurice, Rexford Industrial Realty, Inc. and Rexford Industrial Realty, L.P.</u>
22.1*	<u>List of Issuers of Guaranteed Securities</u>
31.1*	<u>Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
31.2*	<u>Certification of the Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
31.3*	<u>Certification of the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
32.1*	<u>Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
32.2*	<u>Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
32.3*	<u>Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
101.1*	The registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, formatted in inline XBRL (Extensible Business Reporting Language): (i) Consolidated Balance Sheets (unaudited), (ii) Consolidated Statements of Operations (unaudited), (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Statements of Changes in Equity (unaudited), (v) Consolidated Statements of Cash Flows (unaudited) and (vi) the Notes to the Consolidated Financial Statements (unaudited) that have been detail tagged.
104.1*	Cover Page Interactive Data File - The cover page interactive data file does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.

* Filed herein

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto authorized.

Rexford Industrial Realty, Inc.

April 18, 2025

/s/ Michael S. Frankel
Michael S. Frankel
Co-Chief Executive Officer (Principal Executive Officer)

April 18, 2025

/s/ Howard Schwimmer
Howard Schwimmer
Co-Chief Executive Officer (Principal Executive Officer)

April 18, 2025

/s/ Michael Fitzmaurice
Michael Fitzmaurice
Chief Financial Officer
(Principal Financial and Accounting Officer)

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this “*Agreement*”), effective as of November 18, 2024 (the “*Effective Date*”), and amended effective as of March 26, 2025, is entered into by and between Rexford Industrial Realty, Inc., a Maryland corporation (the “*REIT*”), Rexford Industrial Realty, L.P., a Maryland limited partnership (the “*Operating Partnership*”) and Michael P. Fitzmaurice (the “*Executive*”).

WHEREAS, the Executive shall be employed as Chief Financial Officer of the REIT and the Operating Partnership (collectively, the “*Company*”);

WHEREAS, the Company desires to employ the Executive and to enter into an agreement embodying the terms of such employment; and

WHEREAS, the Executive desires to accept such employment with the Company, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Employment Period. Subject to the provisions for earlier termination hereinafter provided, the Executive’s employment hereunder shall be for a term (the “*Employment Period*”) commencing on your first day of employment approximately November 18, 2024 (the “*Start Date*”) and ending on the third anniversary of the Start Date (the “*Initial Termination Date*”). If not previously terminated, the Employment Period shall automatically be extended for one (1) additional year on the Initial Termination Date and on each subsequent anniversary of the Initial Termination Date (each such extension, a “*Renewal Term*”), unless either party elects not to so extend the Employment Period by notifying the other party, in writing, of such election (a “*Non-Renewal*”) at least one-hundred twenty (120) days prior to the last day of the then-current Employment Period. The Executive’s employment hereunder is terminable at will by the Company or by the Executive at any time (for any reason or for no reason), subject to the provisions of Section 4 hereof.

2. Terms of Employment.

(a) Position and Duties.

(i) Role and Responsibilities. During the Employment Period, the Executive shall serve as Chief Financial Officer of the REIT and the Operating Partnership and shall perform such employment duties as are usual and customary for such positions. The Executive shall report directly to the co-Chief Executive Officers of the Company (or their designee). At the Company’s request, the Executive shall serve the Company and/or its subsidiaries and affiliates in other capacities in addition to the foregoing, consistent with the Executive’s position as Chief Financial Officer of the Company. In the event that the Executive, during the Employment Period, serves in any one or more of such additional capacities, the Executive’s compensation shall not be increased beyond that specified in Section 2(b) hereof. In addition, in the event the Executive’s service in one or more of such additional capacities is terminated, the Executive’s compensation, as specified in Section 2(b) hereof, shall not be diminished or reduced in any

manner as a result of such termination provided that the Executive otherwise remains employed under the terms of this Agreement.

(ii) Exclusivity. During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive may be entitled, the Executive agrees to devote his full business time and attention to the business and affairs of the Company. Notwithstanding the foregoing, during the Employment Period, it shall not be a violation of this Agreement for the Executive to: (A) serve on boards, committees or similar bodies of charitable or nonprofit organizations, (B) fulfill limited teaching, speaking and writing engagements, and (C) manage his personal investments, in each case, so long as such activities do not individually or in the aggregate materially interfere or conflict with the performance of the Executive's duties and responsibilities under this Agreement; provided, that with respect to the activities in subclauses (A) and/or (B), the Executive receives prior written approval from the co-Chief Executive Officers.

(iii) Principal Location. During the Employment Period, the Executive shall perform the services required by this Agreement at the Company's headquarters at 11620 Wilshire Boulevard, 10th Floor, Los Angeles, California (the "**Principal Location**"), except for travel to other locations as may be necessary to fulfill the Executive's duties and responsibilities hereunder.

(b) Compensation, Benefits, Etc.

(i) Base Salary. During the Employment Period, the Executive shall receive a base salary (as may be increased from time to time by the Compensation Committee in its sole discretion, the "**Base Salary**") at an annual rate of \$600,000 (less applicable taxes and withholding). The Base Salary shall be reviewed annually by the Compensation Committee (the "**Compensation Committee**") of the Board of Directors of the REIT (the "**Board**") and may be increased from time to time by the Compensation Committee in its sole discretion. The Base Salary shall be paid in accordance with the Company's normal payroll practices for executive salaries generally, but no less often than monthly. The Base Salary may be increased in the Compensation Committee's discretion, but not reduced, and the term "Base Salary" as utilized in this Agreement shall refer to the Base Salary as so increased.

(ii) Annual Cash Bonus. In addition to the Base Salary, the Executive shall be eligible to earn, for each fiscal year of the Company ending during the Employment Period (in the Executive's case, the first bonus for his 2025 performance is estimated to be paid in January 2026, with no bonus for 2024 performance), a discretionary cash performance bonus (an "**Annual Bonus**") under the Company's bonus plan or program applicable to senior executives. The Executive's target Annual Bonus shall be set at 100% (threshold) / 150% (target) / 200% (maximum) of your Base Salary actually paid for such year (as such percentage may be increased or decreased from time to time by the Compensation Committee in its sole discretion) (the "**Target Bonus**"). The actual amount of any Annual Bonus shall be determined by reference to the attainment of Company performance metrics and/or individual performance objectives, in each case, as determined by the Compensation Committee, and may be greater or less than the Target Bonus (or zero). Subject to Section 4(a)(i) hereof, payment of any Annual Bonus(es), to the extent any Annual Bonus(es) become payable, will be contingent upon the Executive's

continued employment through the applicable payment date, which shall occur on the date on which annual bonuses are paid generally to the Company's named executive officers.

(iii) Benefits. During the Employment Period, the Executive (and the Executive's spouse and/or eligible dependents to the extent provided in the applicable plans and programs) shall be eligible to participate in and be covered under the health and welfare benefit plans and programs maintained by the Company for the benefit of its employees from time to time, pursuant to the terms of such plans and programs including any medical, life, hospitalization, dental, disability, accidental death and dismemberment and travel accident insurance plans and programs. During the Employment Period, the Company shall provide the Executive and the Executive's eligible dependents, at the Company's sole expense, with coverage under its group health plans; provided, however, that the Company shall determine, in its sole discretion, whether such coverage shall be paid for by the Company (in excess of subsidies provided generally to plan participants) if such payments by the Company would result in penalties assessed against the Company or the Executive under applicable law (including, without limitation, pursuant to Section 2716 of the Public Health Service Act or the Patient Protection and Affordable Care Act) and/or the imposition of taxes on benefits payable under such group health plan(s). In addition, during the Employment Period, Executive shall be eligible to participate in any retirement, savings and other employee benefit plans and programs maintained from time to time by the Company for the benefit of its senior executive officers. Nothing contained in this Section 2(b)(iii) shall create or be deemed to create any obligation on the part of the Company to adopt or maintain any health, welfare, retirement or other benefit plan or program at any time or to create any limitation on the Company's ability to modify or terminate any such plan or program.

(iv) Expenses. During the Employment Period, the Executive shall be entitled to receive prompt reimbursement for all reasonable business expenses incurred by the Executive in accordance with the policies, practices and procedures of the Company provided to employees of the Company.

(v) Fringe Benefits. During the Employment Period, the Executive shall be eligible to receive such fringe benefits and perquisites as are provided by the Company to its employees from time to time, in accordance with the policies, practices and procedures of the Company, and shall receive such additional fringe benefits and perquisites as the Company may, in its discretion, from time-to-time provide.

(vi) Flexible Time Off. During the Employment Period, the Executive shall be entitled to take paid time off as needed, in accordance with the Company's Flexible Time Off Policy implemented on August 1, 2022.

(vii) Relocation Expenses. The Company shall reimburse you for up to \$225,000 of expenses related to your relocation from Connecticut to the greater Los Angeles area, as more particularly described in your offer letter dated October 17, 2024.

3. Termination of Employment.

(a) Death or Disability. The Executive's employment shall terminate automatically upon the Executive's death during the Employment Period. Either the Company or the Executive may terminate the Executive's employment in the event of the Executive's

Disability during the Employment Period. For purposes of this Agreement, “**Disability**” shall mean that the Executive has become entitled to receive benefits under an applicable Company long-term disability plan or, if no such plan covers the Executive, as determined in the reasonable discretion of the Board.

(b) Termination by the Company. The Company may terminate the Executive’s employment during the Employment Period for Cause or without Cause. For purposes of this Agreement, “**Cause**” shall mean the occurrence of any one or more of the following events unless, to the extent capable of correction, the Executive fully corrects the circumstances constituting Cause within fifteen (15) days after receipt of the Notice of Termination (as defined below):

(i) the Executive’s willful failure to substantially perform his duties with the Company (other than any such failure resulting from the Executive’s incapacity due to physical or mental illness or any such actual or anticipated failure after his issuance of a Notice of Termination for Good Reason), after a written demand for performance is delivered to the Executive by the Board or the co-Chief Executive Officers of the Company, which demand specifically identifies the manner in which the Board or the co-Chief Executive Officers of the Company believe(s) that the Executive has not performed his duties;

(ii) the Executive’s commission of an act of fraud or material dishonesty resulting in reputational, economic or financial injury to the Company;

(iii) the Executive’s commission of, including any entry by the Executive of a guilty or no contest plea to, a felony or other crime involving moral turpitude;

(iv) a material breach by the Executive of his fiduciary duty to the Company which results in reputational, economic or other injury to the Company; or

(v) the Executive’s material breach of the Executive’s obligations under a written agreement between the Company and the Executive, including without limitation, such a breach of this Agreement.

(c) Termination by the Executive. The Executive’s employment may be terminated by the Executive for any reason, including with Good Reason or by the Executive without Good Reason. For purposes of this Agreement, “**Good Reason**” shall mean the occurrence of any one or more of the following events without the Executive’s prior written consent, unless the Company fully corrects the circumstances constituting Good Reason (provided such circumstances are capable of correction) as provided below:

(i) a material diminution in the Executive’s position (including status, offices, titles and reporting requirements), authority, duties or responsibilities as contemplated by Section 2(a) hereof, excluding for this purpose any isolated, insubstantial or inadvertent actions not taken in bad faith and which are remedied by the Company promptly after receipt of notice thereof given by the Executive;

(ii) the Company’s material reduction of the Executive’s Base Salary, as the same may be increased from time to time;

(iii) a material change in the geographic location of the Principal Location which shall, in any event, include only a relocation of the Principal Location by more than twenty-five (25) miles from its existing location; or

(iv) the Company's material breach of this Agreement.

Notwithstanding the foregoing, the Executive will not be deemed to have resigned for Good Reason unless (1) the Executive provides the Company with written notice setting forth in reasonable detail the facts and circumstances claimed by the Executive to constitute Good Reason within sixty (60) days after the date of the occurrence of any event that the Executive knows or should reasonably have known to constitute Good Reason, (2) the Company fails to cure such acts or omissions within thirty (30) days following its receipt of such notice, and (3) the effective date of the Executive's termination for Good Reason occurs no later than sixty (60) days after the expiration of the Company's cure period.

(d) Notice of Termination. Any termination by the Company for Cause, or by the Executive for Good Reason, shall be communicated by a Notice of Termination to the other parties hereto given in accordance with Section 12(b) hereof. For purposes of this Agreement, a "**Notice of Termination**" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) if the Date of Termination (as defined below) is other than the date of receipt of such notice, specifies the Date of Termination (which date shall be not more than thirty (30) days after the giving of such notice). The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

(e) Termination of Offices and Directorships; Return of Property. Upon termination of the Executive's employment for any reason, unless otherwise specified in a written agreement between the Executive and the Company, the Executive shall be deemed to have resigned from all offices, directorships, and other employment positions if any, then held with the Company, and shall take all actions reasonably requested by the Company to effectuate the foregoing. In addition, upon the termination of the Executive's employment for any reason, the Executive agrees to return to the Company all documents of the Company and its affiliates (and all copies thereof) and all other Company or Company affiliate property that the Executive has in his possession, custody or control. Such property includes, without limitation: (i) any materials of any kind that the Executive knows contain or embody any proprietary or confidential information of the Company or an affiliate of the Company (and all reproductions thereof), (ii) computers (including, but not limited to, laptop computers, desktop computers and similar devices) and other portable electronic devices (including, but not limited to, tablet computers), cellular phones/smartphones, credit cards, phone cards, entry cards, identification badges and keys, and (iii) any correspondence, drawings, manuals, letters, notes, notebooks, reports, programs, plans, proposals, financial documents, or any other documents concerning the customers, business plans, marketing strategies, products and/or processes of the Company or

any of its affiliates and any information received from the Company or any of its affiliates regarding third parties.

4. Obligations of the Company upon Termination. Upon a termination of the Executive's employment for any reason, the Company shall pay to the Executive in cash in a single lump-sum payment within thirty (30) days after the Date of Termination (as defined below), or by such earlier date as may be required by applicable law, the aggregate amount of the Executive's earned but unpaid Base Salary and accrued but unpaid vacation pay through the date of such termination (the "**Accrued Obligations**").

(a) Without Cause or For Good Reason. If the Executive's employment with the Company is terminated during the Employment Period (x) by the Company without Cause (other than by reason of the Executive's Disability or due to the expiration of the Employment Period) or (y) by the Executive for Good Reason (in either case, a "**Qualifying Termination**"), then following the Executive's Separation from Service (as defined below) (such date, the "**Date of Termination**"), in each case, subject to and conditioned upon compliance with Section 4(d) hereof, in addition to the Accrued Obligations:

(i) Cash Severance. The Executive shall be paid, in a single lump-sum payment on the sixtieth (60th) day after the Date of Termination (except as otherwise provided with respect to the payment timing of the Pro-Rata Bonus Severance below), an amount equal to one (1) times the sum of (x) the Executive's Base Salary in effect on the Date of Termination, plus (y) the average Annual Bonus earned by the Executive for the three (3) Company fiscal years ending during the Employment Period and immediately preceding the Company fiscal year in which such termination occurs (regardless of whether such amount was paid out on a current basis or deferred) (clauses (x) and (y) together, the "**Salary/Bonus Severance**"), plus (z) a pro-rata Annual Bonus to which the Executive would have become entitled (if any) for the fiscal year of the Company during which the Date of Termination occurs, had the Executive remained employed through the payment date and based on the achievement of any applicable performance goals or objectives, pro-rated based on the number of days during such fiscal year that the Executive was employed by the Company (such cash severance described in this subsection (z) is referred to as the "**Pro-Rata Bonus Severance**"). The Pro-Rata Bonus Severance shall be payable in a single lump-sum payment on the date on which annual bonuses are paid to the Company's senior executives generally for the year in which the Date of Termination occurs, but in no event later than March 15th of the calendar year immediately following the calendar year in which the Date of Termination occurs, with the actual date within such period determined by the Company in its sole discretion. For the avoidance of doubt, for purposes of this Section 4(a)(i), "Annual Bonus" shall include any portion of the Executive's Annual Bonus received in the form of equity rather than cash. Notwithstanding the foregoing or anything contained herein to the contrary, if the Qualifying Termination occurs within eighteen (18) months following the consummation of a Change in Control (as defined in the Company's 2013 Incentive Award Plan (as amended) as in effect on the Effective Date), then the Salary/Bonus Severance shall be determined using a multiple of "1.5 (one and one-half)" (rather than "1 (one)"). For purposes of this Section 4(a)(i), in the event that the Date of Termination occurs prior to the end of the completion of three (3) Company fiscal years during the Employment Period, then the calculation of the three-year average Annual Bonus portion of the Salary/Bonus

Severance amount in this Section 4(a)(i) hereof shall be determined by using the Executive's Target Bonus for any such fiscal years not yet elapsed, together with Annual Bonus(es) actually earned by the Executive for fiscal years elapsed during the Employment Period, annualized for any such partial fiscal year.

(ii) *Equity Award Acceleration*. Any outstanding equity award, or any portion thereof, that vests based solely on continued service to the Company and that is held by the Executive on the Date of Termination shall immediately become fully vested and, to the extent applicable, exercisable. For the avoidance of doubt, each such equity award (or portion thereof) shall remain outstanding and eligible to vest following the Date of Termination and shall actually vest and become exercisable (if applicable) and non-forfeitable upon the effectiveness of the Release (as defined below).

(iii) *COBRA*. During the period commencing on the Date of Termination and ending on the eighteen (18)-month anniversary of the Date of Termination (the "*COBRA Period*"), subject to the Executive's valid election to continue healthcare coverage under Section 4980B of the Internal Revenue Code and the regulations thereunder (together, the "*Code*"), the Company shall continue to provide the Executive and the Executive's eligible dependents with coverage under its group health plans at the same levels and the same cost to the Executive as would have applied if the Executive's employment had not been terminated based on the Executive's elections in effect on the Date of Termination, provided, however, that (A) if any plan pursuant to which such benefits are provided is not, or ceases prior to the expiration of the COBRA Period to be, exempt from the application of Section 409A (as defined below) under Treasury Regulation Section 1.409A-1(a)(5), or (B) the Company is otherwise unable to continue to cover the Executive under its group health plans without incurring penalties (including without limitation, pursuant to Section 2716 of the Public Health Service Act or the Patient Protection and Affordable Care Act), then, in either case, an amount equal to each remaining Company subsidy shall thereafter be paid to the Executive in substantially equal monthly installments over the COBRA Period (or the remaining portion thereof).

Notwithstanding the foregoing, it shall be a condition to the Executive's right to receive the amounts provided for in Sections 4(a)(i), 4(a)(ii) and 4(a)(iii) hereof that the Executive execute and deliver to the Company an effective release of claims in substantially the form attached hereto as Exhibit A (the "*Release*") within twenty-one (21) days (or, to the extent required by law, forty-five (45) days) following the Date of Termination and that the Executive not revoke such Release during any applicable revocation period.

(b) Death or Disability. Subject to Section 4(d) hereof, if the Executive incurs a Separation from Service by reason of the Executive's death or Disability during the Employment Period, then in addition to the Accrued Obligations, subject to the Executive's or the Executive's estate's (as applicable) execution, delivery to the Company and non-revocation of an effective Release within sixty (60) days following the Date of Termination, (i) the Executive (or the Executive's estate, if applicable) shall be entitled to the Pro-Rata Bonus Severance, payable in a single lump-sum payment on the date on which annual bonuses are paid to the Company's senior executives generally for such year, but in no event later than March 15th of the calendar year immediately following the calendar year in which the Date of Termination occurs (with the actual date within such period determined by the Company in its sole discretion), and (ii) any

outstanding equity award, or any portion thereof, that vests based solely on continued service to the Company and that is held by the Executive on the Date of Termination shall immediately become fully vested and, as applicable, exercisable. In addition, subject to the Executive's or the Executive's estate's (as applicable) execution, delivery to the Company and non-revocation of an effective Release within sixty (60) days following the Date of Termination and further subject to the Executive's (or the Executive's estate's, if the Executive has died) valid election to continue healthcare coverage under Section 4980B of the Code and the regulations thereunder, during the COBRA Period, the Company shall continue to provide the Executive (if applicable) and the Executive's eligible dependents with coverage under its group health plans at the same levels and the same cost to the Executive (or the Executive's estate, if applicable) as would have applied if the Executive's employment had not been terminated, based on the Executive's elections in effect on the Date of Termination, provided, however, that if the Company is or becomes unable to continue to cover the Executive under its group health plans without incurring or causing the Executive to incur penalties or other adverse tax consequences (including without limitation, pursuant to Section 2716 of the Public Health Service Act), then, in either case, an amount equal to each remaining Company subsidy shall thereafter be paid to the Executive (or the Executive's estate, as applicable) in substantially equal monthly installments over the continuation coverage period (or the remaining portion thereof).

(c) For Cause, Without Good Reason, Non-Renewal or Other Terminations. If the Company terminates the Executive's employment for Cause, the Executive terminates the Executive's employment without Good Reason, the Executive's employment terminates due to a Non-Renewal election made in accordance with Section 1 above, or the Executive's employment terminates for any other reason not enumerated in Sections 4(a) or 4(b) hereof, in any case, during the Employment Period, then, in any case, the Company shall pay to the Executive the Accrued Obligations in cash in a single lump-sum payment within thirty (30) days after the Date of Termination (or by such earlier date as may be required by applicable law), and the Executive shall have no further rights hereunder.

(d) Six-Month Delay. Notwithstanding anything to the contrary in this Agreement, no compensation or benefits, including without limitation any severance payments or benefits payable under Section 4 hereof, shall be paid to the Executive during the six (6)-month period following the Executive's "separation from service" from the Company (within the meaning of Section 409A, a "***Separation from Service***") if the Company determines that paying such amounts at the time or times indicated in this Agreement would be a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code. If the payment of any such amounts is delayed as a result of the previous sentence, then on the first day of the seventh month following the date of Separation from Service (or such earlier date upon which such amount can be paid under Section 409A without resulting in a prohibited distribution, including as a result of the Executive's death), the Company shall pay the Executive a lump-sum amount equal to the cumulative amount that would have otherwise been payable to the Executive during such period.

(e) Exclusive Benefits. Except as expressly provided in this Section 4 and subject to Section 6 hereof, the Executive shall not be entitled to any additional payments or benefits upon or in connection with the Executive's termination of employment.

5. Change in Control. Notwithstanding anything to the contrary contained in this Agreement, in the event of a Qualifying Termination upon or following a Change in Control (as defined in the Company's 2013 Incentive Award Plan (as amended) as in effect on the Effective Date), consistent with and subject to the terms and conditions of Section 4(a)(ii) herein, any outstanding Company equity award, or any portion thereof, that vests based solely on continued service to the Company, will become fully vested and, as applicable, exercisable, upon effectiveness of the Release. In addition, with respect to outstanding Company equity awards held by the Executive as of the date of a Change in Control that are eligible to vest based on the attainment of one or more applicable performance goals, (i) such equity awards shall performance-vest and be earned (subject to applicable continued service vesting) based on actual attainment of applicable performance goals as of the date of the Change in Control in accordance with the terms of the applicable award agreement, and (ii) such performance-vested portion of these awards will remain outstanding and eligible to vest at the end of the applicable performance period, subject to the Executive's continued employment with the Company through the end of the applicable performance period. Notwithstanding the foregoing, upon a Qualifying Termination within eighteen (18) months following the consummation of a Change in Control and prior to the end of the applicable performance period, the performance-vested portion of such award (measured as of the date of the Change in Control in accordance with the preceding sentence) shall become fully vested and, as applicable, exercisable, upon effectiveness of the Release. For clarity, any portion of a performance-vesting equity award that is not earned based on performance-vesting as of the date of the Change in Control shall be forfeited without payment upon the Change in Control.

6. Non-Exclusivity of Rights. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

7. Excess Parachute Payments, Limitation on Payments.

(a) Best Pay Cap. Notwithstanding any other provision of this Agreement, in the event that any payment or benefit received or to be received by the Executive (including any payment or benefit received in connection with a termination of the Executive's employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement) (all such payments and benefits, including the payments and benefits under Section 4 hereof, being hereinafter referred to as the "**Total Payments**") would be subject (in whole or part), to the excise tax imposed under Section 4999 of the Code (the "**Excise Tax**"), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, arrangement or agreement, the cash severance payments under this Agreement shall first be reduced, and the noncash severance payments hereunder shall thereafter be reduced, to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax but only if (i) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments) is greater than or equal to (ii) the net amount of such Total Payments

without such reduction (but after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of Excise Tax to which the Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

(b) Certain Exclusions. For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax, (i) no portion of the Total Payments the receipt or enjoyment of which the Executive shall have waived at such time and in such manner as not to constitute a “payment” within the meaning of Section 280G(b) of the Code shall be taken into account; (ii) no portion of the Total Payments shall be taken into account which, in the written opinion of an independent, nationally recognized accounting firm (the “**Independent Advisors**”) selected by the Company, does not constitute a “parachute payment” within the meaning of Section 280G(b)(2) of the Code (including by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments shall be taken into account which, in the opinion of Independent Advisors, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the “base amount” (as defined in Section 280G(b)(3) of the Code) allocable to such reasonable compensation; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments shall be determined by the Independent Advisors in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

8. Confidential Information and Non-Solicitation.

(a) The Executive shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company and its subsidiaries and affiliates, which shall have been obtained by the Executive in connection with the Executive’s employment by the Company and which shall not be or become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement). After termination of the Executive’s employment with the Company, the Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any such information, knowledge or data, to anyone other than the Company and those designated by it; provided, however, that if the Executive receives actual notice that the Executive is or may be required by law or legal process to communicate or divulge any such information, knowledge or data, the Executive shall promptly so notify the Company. Notwithstanding anything herein to the contrary, nothing herein is intended to interfere with the Executive’s right to communicate directly with, cooperate with, or provide information to, any federal, state or local government regulator.

(b) While employed by the Company and, for a period of eighteen (18) months after the Date of Termination, the Executive shall not directly or indirectly solicit, induce, or encourage any employee or consultant of any member of the Company and its subsidiaries and affiliates to terminate their employment or other relationship with the Company and its subsidiaries and affiliates or to cease to render services to any member of the Company and its subsidiaries and affiliates and the Executive shall not initiate discussion with any such person for any such purpose or authorize or knowingly cooperate with the taking of any such actions by any other individual or entity. During his employment with the Company and thereafter, the

Executive shall not use any trade secret of the Company or its subsidiaries or affiliates to solicit, induce, or encourage any customer, client, vendor, or other party doing business with any member of the Company and its subsidiaries and affiliates to terminate its relationship therewith or transfer its business from any member of the Company and its subsidiaries and affiliates and the Executive shall not initiate discussion with any such person for any such purpose or authorize or knowingly cooperate with the taking of any such actions by any other individual or entity.

(c) In recognition of the facts that irreparable injury will result to the Company in the event of a breach by the Executive of his obligations under Sections 8(a) and (b) hereof, that monetary damages for such breach would not be readily calculable, and that the Company would not have an adequate remedy at law therefor, the Executive acknowledges, consents and agrees that in the event of such breach, or the threat thereof, the Company shall be entitled, in addition to any other legal remedies and damages available, to specific performance thereof and to temporary and permanent injunctive relief (without the necessity of posting a bond) to restrain the violation or threatened violation of such obligations by the Executive.

9. Representations. The Executive hereby represents and warrants to the Company that (a) the Executive is entering into this Agreement voluntarily and that the performance of the Executive's obligations hereunder will not violate any agreement between the Executive and any other person, firm, organization or other entity, and (b) the Executive is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or other party that would be violated by the Executive's entering into this Agreement and/or providing services to the Company pursuant to the terms of this Agreement.

10. Successors.

(a) This Agreement is personal to the Executive and, without the prior written consent of the Company, shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

11. Payment of Financial Obligations. The payment or provision to the Executive by the Company of any remuneration, benefits or other financial obligations pursuant to this Agreement shall be allocated among the Operating Partnership, the REIT and any subsidiary or affiliate thereof in such manner as such entities determine in order to reflect the services

provided by the Executive to such entities; provided, however, that the Operating Partnership and the REIT shall be jointly and severally liable for such obligations.

12. Miscellaneous.

(a) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to principles of conflict of laws. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(b) Notices. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive: at the Executive's most recent address on the records of the Company.

If to the REIT or the Operating Partnership:

Rexford Industrial Realty, Inc.
11620 Wilshire Blvd., Suite 1000
Los Angeles, CA 90025
Attn: Co-CEOs

with a copy to:

Latham & Watkins LLP
355 South Grand Ave.
Los Angeles, CA 90071-1560
Attn: Brad Helms

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(c) Sarbanes-Oxley Act of 2002. Notwithstanding anything herein to the contrary, if the Company determines, in its good faith judgment, that any transfer or deemed transfer of funds hereunder is likely to be construed as a personal loan prohibited by Section 13(k) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "**Exchange Act**"), then such transfer or deemed transfer shall not be made to the extent necessary or appropriate so as not to violate the Exchange Act and the rules and regulations promulgated thereunder.

(d) Section 409A of the Code.

(i) To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder (together, "**Section 409A**"). Notwithstanding any provision of this Agreement to the contrary, if the Company determines that any compensation or benefits payable under this Agreement may be subject to Section 409A, the Company shall work in good faith with the Executive to adopt such amendments to this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect),

or take any other actions, that the Company determines are necessary or appropriate to avoid the imposition of taxes under Section 409A, including without limitation, actions intended to (i) exempt the compensation and benefits payable under this Agreement from Section 409A, and/or (ii) comply with the requirements of Section 409A; provided, however, that this Section 12(d) shall not create an obligation on the part of the Company to adopt any such amendment, policy or procedure or take any such other action, nor shall the Company have any liability for failing to do so.

(ii) Any right to a series of installment payments pursuant to this Agreement is to be treated as a right to a series of separate payments. To the extent permitted under Section 409A, any separate payment or benefit under this Agreement or otherwise shall not be deemed “nonqualified deferred compensation” subject to Section 409A and Section 4(d) hereof to the extent provided in the exceptions in Treasury Regulation Section 1.409A-1(b)(4), Section 1.409A-1(b)(9) or any other applicable exception or provision of Section 409A.

(iii) To the extent that any payments or reimbursements provided to the Executive under this Agreement are deemed to constitute compensation to the Executive to which Treasury Regulation Section 1.409A-3(i)(1)(iv) would apply, such amounts shall be paid or reimbursed reasonably promptly, but not later than December 31 of the year following the year in which the expense was incurred. The amount of any such payments eligible for reimbursement in one year shall not affect the payments or expenses that are eligible for payment or reimbursement in any other taxable year, and the Executive’s right to such payments or reimbursement of any such expenses shall not be subject to liquidation or exchange for any other benefit.

(e) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(f) Withholding. The Company may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(g) No Waiver. The Executive’s or the Company’s failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right the Executive or the Company may have hereunder, including, without limitation, the right of the Executive to terminate employment for Good Reason pursuant to Section 3(c) hereof, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(h) Entire Agreement. As of the Start Date, this Agreement constitutes the final, complete and exclusive agreement between the Executive and the Company with respect to the subject matter hereof and replaces and supersedes any and all other agreements, offers or promises, whether oral or written, by any member of the Company and its subsidiaries or affiliates, or representative thereof, including without limitation that certain offer letter dated October 16, 2024.

(i) Amendment. No amendment or other modification of this Agreement shall be effective unless made in writing and signed by the parties hereto.

(j) Counterparts. This Agreement and any agreement referenced herein may be executed simultaneously in two or more counterparts, each of which shall be deemed an original but which together shall constitute one and the same instrument.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Executive has hereunto set the Executive's hand and, pursuant to the authorization from the Board, each of the REIT and the Operating Partnership has caused these presents to be executed in its name on its behalf, all as of the day and year first above written.

REXFORD INDUSTRIAL REALTY, INC.,
a Maryland corporation

By: /s/ Michael S. Frankel
Name: Michael S. Frankel
Title: Co-Chief Executive Officer

By: /s/ Howard A. Schwimmer
Name: Howard A. Schwimmer
Title: Co-Chief Executive Officer

REXFORD INDUSTRIAL REALTY, L.P., a
Maryland Limited partnership

By: REXFORD INDUSTRIAL REALTY, INC.
Its: General Partner

By: /s/ Michael S. Frankel
Name: Michael S. Frankel
Title: Co-Chief Executive Officer

"EXECUTIVE"

/s/ Michael P. Fitzmaurice
Michael P. Fitzmaurice

EXHIBIT A

GENERAL RELEASE

For valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned does hereby release and forever discharge the “**Releasees**” hereunder, consisting of Rexford Industrial Realty, Inc., a Maryland corporation, Rexford Industrial Realty, L.P., a Maryland limited partnership, and each of their partners, subsidiaries, associates, affiliates, successors, heirs, assigns, agents, directors, officers, employees, representatives, lawyers, insurers, and all persons acting by, through, under or in concert with them, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, losses, costs, attorneys’ fees or expenses, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called “**Claims**”), which the undersigned now has or may hereafter have against the Releasees, or any of them, by reason of any matter, cause, or thing whatsoever from the beginning of time to the date hereof. The Claims released herein include, without limiting the generality of the foregoing, any Claims in any way arising out of, based upon, or related to the employment or termination of employment of the undersigned by the Releasees, or any of them; any alleged breach of any express or implied contract of employment; any alleged torts or other alleged legal restrictions on Releasees’ right to terminate the employment of the undersigned; and any alleged violation of any federal, state or local statute or ordinance including, without limitation, Title VII of the Civil Rights Act of 1964, the Age Discrimination In Employment Act, the Americans With Disabilities Act, and the California Fair Employment and Housing Act. Notwithstanding the foregoing, this general release (the “**Release**”) shall not operate to release any rights or claims of the undersigned (i) to payments or benefits under either Section 4(a) or 4(b) of that certain Employment Agreement, effective as of _____, 2024, between Rexford Industrial Realty, Inc., Rexford Industrial Realty, L.P. and the undersigned (the “**Employment Agreement**”), whichever is applicable to the payments and benefits provided in exchange for this Release, (ii) to payments or benefits under any equity award agreement between the undersigned and the Company, (iii) with respect to Section 2(b)(iv) of the Employment Agreement, (iv) to accrued or vested benefits the undersigned may have, if any, as of the date hereof under any applicable plan, policy, practice, program, contract or agreement with the Company, (v) to any Claims, including claims for indemnification and/or advancement of expenses arising under any indemnification agreement between the undersigned and the Company or under the bylaws, certificate of incorporation of other similar governing document of the Company or (vi) to any Claims which cannot be waived by an employee under applicable law.

THE UNDERSIGNED ACKNOWLEDGES THAT THE EXECUTIVE HAS BEEN ADVISED BY LEGAL COUNSEL AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY

HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”
THE UNDERSIGNED, BEING AWARE OF SAID CODE SECTION, HEREBY EXPRESSLY WAIVES ANY RIGHTS THE EXECUTIVE
MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

IN ACCORDANCE WITH THE OLDER WORKERS BENEFIT PROTECTION ACT OF 1990, THE UNDERSIGNED IS
HEREBY ADVISED AS FOLLOWS:

(A) THE EXECUTIVE HAS THE RIGHT TO CONSULT WITH AN ATTORNEY BEFORE SIGNING THIS RELEASE;

(B) THE EXECUTIVE HAS TWENTY-ONE (21) DAYS TO CONSIDER THIS RELEASE BEFORE SIGNING IT; AND

(C) THE EXECUTIVE HAS SEVEN (7) DAYS AFTER SIGNING THIS RELEASE TO REVOKE THIS RELEASE, AND THIS
RELEASE WILL BECOME EFFECTIVE UPON THE EXPIRATION OF THAT REVOCATION PERIOD.

The undersigned represents and warrants that there has been no assignment or other transfer of any interest in any Claim which the
Executive may have against Releasees, or any of them, and the undersigned agrees to indemnify and hold Releasees, and each of them, harmless
from any liability, Claims, demands, damages, costs, expenses and attorneys’ fees incurred by Releasees, or any of them, as the result of any such
assignment or transfer or any rights or Claims under any such assignment or transfer. It is the intention of the parties that this indemnity does not
require payment as a condition precedent to recovery by the Releasees against the undersigned under this indemnity.

The undersigned agrees that if the Executive hereafter commences any suit arising out of, based upon, or relating to any of the
Claims released hereunder or in any manner asserts against Releasees, or any of them, any of the Claims released hereunder, then the undersigned
agrees to pay to Releasees, and each of them, in addition to any other damages caused to Releasees thereby, all attorneys’ fees incurred by
Releasees in defending or otherwise responding to said suit or Claim.

The undersigned further understands and agrees that neither the payment of any sum of money nor the execution of this Release
shall constitute or be construed as an admission of any liability whatsoever by the Releasees, or any of them, who have consistently taken the
position that they have no liability whatsoever to the undersigned.

IN WITNESS WHEREOF, the undersigned has executed this Release this ____ day of _____, ____.

List of Issuers of Guaranteed Securities

As of March 31, 2025, the following subsidiary was the issuer of the 5.000% Senior Notes due 2028, the 2.125% Senior Notes due 2030 and the 2.150% Senior Notes due 2031, all of which are guaranteed by Rexford Industrial Realty, Inc.

Name of Subsidiary	Jurisdiction of Organization
Rexford Industrial Realty, L.P.	Maryland

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Rexford Industrial Realty, Inc. (the "Company") for the quarter ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael S. Frankel, Co-Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Michael S. Frankel

Michael S. Frankel
Co-Chief Executive Officer
April 18, 2025

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Rexford Industrial Realty, Inc. (the "Company") for the quarter ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Howard Schwimmer, Co-Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Howard Schwimmer

Howard Schwimmer
Co-Chief Executive Officer
April 18, 2025

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Rexford Industrial Realty, Inc. (the "Company") for the quarter ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael Fitzmaurice, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Michael Fitzmaurice

Michael Fitzmaurice
Chief Financial Officer
April 18, 2025