



# Rexford Industrial

## Rexford Industrial Announces \$137.6 Million Of Transaction Activity

November 22, 2021

**- Acquires Five Properties for \$125.9 Million within Prime Infill Southern California Submarkets -  
- Year-to-Date Acquisitions Total \$1.4 Billion -**

LOS ANGELES, Nov. 22, 2021 /PRNewswire/ -- Rexford Industrial Realty, Inc. (the "Company" or "Rexford Industrial") (NYSE: REXR), a real estate investment trust focused on creating value by investing in and operating industrial properties located in Southern California infill markets, today announced the acquisition of five industrial properties for an aggregate purchase price of \$125.9 million. The company also announced the disposition of one property for \$11.7 million. The acquisitions were funded using a combination of 1031 disposition proceeds and cash on hand.

"These investments demonstrate Rexford's ability to leverage our value-add expertise and proprietary access to the nation's strongest and most highly-valued industrial market to generate substantially above-market cash yields and return on investment," said Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "Our \$1.4 billion of investments completed year-to-date within infill Southern California are indicative of Rexford's growth opportunity as we deepen our market penetration within the nation's highest-barrier industrial market. With over \$300 million of acquisitions under contract or accepted offer, our accretive internal and external growth, supported by our low-leverage, fortress-like balance sheet, enable us to continue to generate favorable cash-flow growth and long-term value for our stakeholders."

In October and November, the Company acquired:

- 21515 Western Avenue, located in Torrance, within the LA – South Bay submarket for \$19.0 million, or \$108 per land square foot. Acquired through a lightly-marketed transaction, the Company intends to redevelop the existing 56,199 square foot retail use building on 4.0 acres of industrially zoned land into an 85,520 square foot Class A warehouse and distribution facility. The investment is projected to generate a 4.8% unlevered stabilized yield on total cost. According to CBRE, the vacancy rate in the 218 million square-foot LA – South Bay submarket was 0.6% at the end of the third quarter 2021.
- 12027 Greenstone Avenue, located in Santa Fe Springs, within the LA – Mid-Counties submarket for \$8.1 million, or \$81 per land square foot. The 2.3-acre industrial outdoor storage site is immediately adjacent to two existing Rexford owned storage sites and is leased at a rent estimated to be approximately 80% below market rent. Upon lease expiration, the Company intends to drive cash flow growth through value-add repositioning into a modern container storage yard. The investment is expected to generate a 5.8% stabilized unlevered cash yield. According to CBRE, the vacancy rate in the 112 million square-foot LA – Mid-Counties submarket was 0.2% at the end of the third quarter 2021.
- 6027 Eastern Avenue, located in Commerce, CA, within the LA – Central submarket for \$23.3 million, or \$138 per land square foot. The Company intends to redevelop the 3.9-acre site by constructing two state-of-the-art buildings totaling 92,800 square feet of warehouse distribution space, featuring 32-foot clear heights, superior functionality and secured yards. The stabilized unlevered cash yield is projected to be approximately 4.6% upon lease-up. According to CBRE, the vacancy rate in the 273 million square-foot LA – Central submarket was 1.9% at the end of the third quarter 2021.
- 340-344 Bonnie Circle, located in Corona, CA, within the Inland Empire – West submarket for \$27.0 million, or \$276 per square foot. Acquired through an off-market transaction, the 98,000 square foot, single tenant building on 5.2 acres of land is fully leased at rent estimated to be approximately 45% below market. Upon lease expiration, the Company intends to grow cash flow through the renewal of the existing tenant at a market rent or by re-tenanting after execution of modest value-add improvements. The initial unlevered 2.7% cash yield is projected to grow to a stabilized yield on total investment

of 4.8%. According to CBRE, the vacancy rate in the 319 million square-foot Inland Empire – West submarket was 0.8% at the end of the third quarter 2021.

- 14100 Vine Place, located in Cerritos, CA, within the LA – Mid-Counties submarket for \$48.5 million, or \$407 per square foot. Acquired through a lightly-marketed transaction, the 34% covered 8.1-acre site contains one-single tenant 119,145 square foot building, subject to a short-term lease. Upon near-term expiration of the lease, the Company intends to execute value-add repositioning of the property to include additional dock high loading and the paving of excess land to create extensive outdoor storage capacity, positioning the property to achieve premium market rents. The stabilized unlevered cash yield is projected to be approximately 4.4%. According to CBRE, the vacancy rate in the 112 million square-foot LA – Mid-Counties submarket was 0.2% at the end of the third quarter 2021.

In November, the Company disposed of the following property:

- 2670-2674 Walnut Street and 89-91 San Gabriel Boulevard, located in Pasadena, within the Greater San Gabriel Valley submarket for \$11.7 million, or \$370 per square foot. The four-building, 31,619 square foot property on 1.0 acres of land was fully leased at the time of sale. The unlevered IRR on the investment is 20.7%. Proceeds from the sale were reinvested into the acquisition of 340-344 Bonnie Circle.

#### **About Rexford Industrial**

Rexford Industrial, a real estate investment trust focused on creating value by investing in and operating industrial properties throughout Southern California infill markets, owns 283 properties with approximately 35.3 million rentable square feet and manages an additional 20 properties with approximately 1.0 million rentable square feet. For additional information, visit [www.rexfordindustrial.com](http://www.rexfordindustrial.com).

#### **Forward-Looking Statements**

This press release may contain forward-looking statements within the meaning of the federal securities laws, which are based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. While forward-looking statements reflect the Company's good faith beliefs, assumptions and expectations, they are not guarantees of future performance. For a further discussion of these and other factors that could cause the Company's future results to differ materially from any forward-looking statements, see the reports and other filings by the Company with the U.S. Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the year ended December 31, 2020, and the Company's most recent Form 10-Q. The Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes.

#### **Contact:**

Investor Relations:

Stephen Swett

424 256 2153 ext. 401

[investorrelations@rexfordindustrial.com](mailto:investorrelations@rexfordindustrial.com)

 View original content: <https://www.prnewswire.com/news-releases/rexford-industrial-announces-137-6-million-of-transaction-activity-301430269.html>

SOURCE Rexford Industrial Realty, Inc.