



# Rexford Industrial

## Rexford Industrial Announces \$141.4 Million of Acquisitions

December 20, 2021

**- Acquires Five Properties within Prime Infill Southern California Submarkets --  
- Year-to-Date Acquisitions Total \$1.6 Billion -**

LOS ANGELES, Dec. 20, 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 \$141.4 million. The acquisitions were funded using cash on hand.

"These five investments, acquired through off-market transactions, reflect our ability to capitalize upon Rexford's deep, local sharp-shooter market knowledge and relationships, our value-add expertise and proprietary access to the infill Southern California market, the nation's strongest, most resilient and highest demand industrial market," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "Our \$1.6 billion of investments completed year-to-date are indicative of Rexford's substantial growth opportunity ahead as we consolidate our best-in-class portfolio within infill Southern California, the world's fourth largest industrial market, which surpasses in size all global markets except the entire national markets of the United States, China and Germany. With over \$350 million of additional acquisitions under contract or accepted offer and extensive internal growth initiatives under-way, Rexford is well-positioned with a low-leverage, fortress-like balance sheet to continue to generate above-market cash flow growth and long-term value creation for our stakeholders."

In November and December, through off-market transactions, the Company acquired:

- 20481 Crescent Bay Drive, located in Lake Forest, within the Orange County - South submarket for \$19.5 million, or \$221 per square foot. The 4.8-acre site contains an 88,355 square foot, single-tenant industrial building leased at a rental rate estimated to be approximately 35% below market rates. Upon lease expiration, the Company intends to drive cash flow growth through either value-add repositioning and re-tenanting or through lease renewal at market rent. The initial stabilized unlevered cash yield is 3.7%. According to CBRE, the vacancy rate in the 34 million square foot Orange County - South submarket was 2.2% at the end of the third quarter 2021.
- 2280 Ward Avenue, located in Simi Valley, within the Ventura County submarket for \$46.4 million, or \$192 per square foot. The 242,100 square foot, modern Class-A six-tenant building is fully leased at rental rates estimated to be 25% below market rates and features high-demand mid-size, dock-high units. The initial stabilized unlevered cash yield is 4.6%, which is projected to grow to above 5.0% over time, driven by a combination of annual contractual rent escalations, repositioning and re-tenanting of vacated spaces and releasing to existing tenants at market rents. According to CBRE, the vacancy rate in the 68 million square-foot Ventura County submarket was 0.9% at the end of the third quarter 2021.
- 334 El Encanto Road, located in the City of Industry, CA, within the LA – San Gabriel Valley submarket for \$10.7 million, or \$64 per land square foot. The 64,368 square foot, single tenant building is situated on 3.8 acres of land leased to a single, entrenched tenant at a rental rate estimated to be approximately 30% below market rates. Upon lease expiration, the in-place tenant will either be renewed or the property may be redeveloped into a new Class A, 81,000 square foot modern industrial building. The initial in place 3.7% cash yield is projected to grow to a stabilized unlevered cash yield of approximately 5.7%. According to CBRE, the vacancy rate in the 159 million square foot LA – San Gabriel Valley

submarket was 0.2% at the end of the third quarter 2021.

- 17031-17037 Green Drive, located in the City of Industry, CA, within the LA – San Gabriel Valley submarket for \$13.8 million, or \$270 per square foot. The low coverage site contains a 51,000 square foot building on 3.6 acres of land, fully leased to two tenants at rental rates estimated to be 40% below market rates. Upon lease expiration, the Company intends to drive cash flow growth through value-add repositioning. The initial 3.8% unlevered cash yield is projected to grow to a stabilized unlevered cash yield on total investment of 5.4%.
- 13512 Marlay Avenue, located in Fontana, CA, within the highly desirable Inland Empire – West submarket for \$51.0 million, or \$256 per square foot. The 199,363 square foot, modern, single tenant industrial warehouse on 10.1 acres of land, is fully leased at a rental rate estimated to be approximately 40% below market rates. The initial 3.2% unlevered cash yield is projected to grow to a stabilized unlevered cash yield on total investment of 5.1%. 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.

#### **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 288 properties with approximately 36.1 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)

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