



# Rexford Industrial

## Rexford Industrial Announces \$153 Million of Acquisitions

May 10, 2022

- Acquires Six Properties for \$153 Million within Prime Infill Southern California Submarkets -

- Year-to-Date Investments Total \$610 Million -

LOS ANGELES, May 10, 2022 /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 throughout infill Southern California, today announced the acquisition of six industrial properties for an aggregate purchase price of \$152.7 million. The purchases were funded using a combination of cash on hand and the Company's line of credit.

"Acquired through off-market and lightly marketed transactions, these investments demonstrate the strength of Rexford Industrial's differentiated operating platform. Our team's entrepreneurial approach enables us to continue securing assets positioned to deliver substantially greater return on investment and cash flow growth as compared to prevailing market yields otherwise generally available to investors within infill Southern California, the nation's largest and most sought-after industrial market," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "Our year-to-date investments total \$610 million, with 85% of our acquisitions acquired through off-market or lightly marketed transactions, leveraging our deep market knowledge, relationships and value-add expertise. With over \$500 million of additional investments under contract or accepted offer, plus a deep range of value-add internal growth initiatives under way within our in-place portfolio, our team is well positioned to drive superior long-term value creation for stakeholders."

In April and May, through off-market and lightly marketed transactions, the Company acquired:

- 7815 Van Nuys Boulevard, Panorama City, located within the LA – San Fernando Valley submarket for \$25 million, or \$175 per land square foot. Upon lease expirations, the Company plans to remove existing improvements and construct a new 77,000 square foot, Class-A industrial building. The investment is projected to generate a 4.7% unlevered cash yield on total investment upon initial stabilization. According to CBRE, the vacancy rate in the 181 million square foot LA – San Fernando Valley submarket was 0.5% at the end of the first quarter 2022.
- 900-920 Allen Avenue, Glendale, located within the LA – San Fernando Valley submarket for \$25 million, or \$364 per square foot. The property contains two industrial buildings comprising 68,630 square feet situated on 3.3 acres of land. The investment generates an initial 4.0% unlevered cash yield on total investment, growing over time by 3.0% annual contractual rent increases and provides the potential for future value-add redevelopment.
- 1154 Holt Boulevard, Ontario, located within the Inland Empire – West submarket for \$14.2 million, or \$404 per square foot. Acquired through a short-term sale-lease-back, the newly constructed, single tenant, 35,000 square foot building, situated on 1.7 acres of land, is located near the Ontario International Airport. Upon lease expiration, the Company intends to re-lease at market rent. The investment is projected to generate a 3.9% unlevered cash yield on total investment upon stabilization. According to CBRE, the vacancy rate in the 321 million square foot Inland Empire - West submarket was 0.1% at the end of the first quarter 2022.
- 1550-1600 Champagne Avenue, Ontario, located within the Inland Empire – West submarket for \$46.9 million, or \$377 per square foot. The Class A, two-building 124,243 square foot property, situated on 6.4 acres of land, is leased at rents estimated to be 50% below current market rates. Upon lease expiration, the Company intends to drive accretive cash flow growth through re-leasing at market rent. The investment generates an initial 2.1% unlevered cash yield that is projected to grow to an unlevered stabilized cash yield on total investment of over 5.0%.
- 10131 Banana Avenue, Fontana, located within the Inland Empire – West submarket for \$26.2 million, or \$109 per land square foot. The 5.5-acre industrial outdoor storage site is 92% leased at rents estimated to be 40% below current market rates. Upon lease expirations, the Company plans to redevelop the property by constructing a 104,000 square foot Class-A, low coverage logistics building. The initial 1.3% unlevered cash yield is projected to grow to an unlevered cash yield on total investment of 4.8% upon stabilization.
- 13535 Larwin Circle, Santa Fe Springs, located within the LA – Mid-Counties submarket for \$15.5 million, or \$277 per square foot. The 56,011 square foot single-tenant building, situated on 2.5 acres of land, is leased at a rate estimated to be 60% below current market rates. The investment generates an initial 2.5% unlevered cash yield, which is projected to grow to an unlevered stabilized cash yield on total investment of 6.6% through either the renewal of the in-place tenant or a value-add repositioning of the property. According to CBRE, the vacancy rate in the 111 million square foot LA -

Mid-Counties submarket was 0.1% at the end of the first quarter 2022.

### **About Rexford Industrial**

Rexford Industrial creates value by investing in, operating and redeveloping industrial properties throughout infill Southern California, the world's fourth largest industrial market and consistently the highest-demand, lowest supply market in the nation. The Company's highly differentiated strategy enables internal and external growth opportunities through its proprietary value creation and asset management capabilities. Rexford Industrial's high-quality, irreplaceable portfolio comprises 318 properties with approximately 38.3 million rentable square feet occupied by a stable and diverse tenant base. Structured as a real estate investment trust (REIT) listed on the New York Stock Exchange under the ticker "REXR," Rexford Industrial is an S&P MidCap 400 Index member. For more information, please 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, 2021, 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.

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