



Rexford Industrial

Rexford Industrial Announces \$218 Million of Acquisitions

June 21, 2022

– Acquires Six Properties for \$218.4 Million within Prime Infill Southern California Submarkets –

– Year-to-Date Investments Total \$993 Million –

LOS ANGELES, June 21, 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 \$218.4 million. The purchases were funded using a combination of cash on hand and the Company's line of credit.

"Rexford Industrial continues to leverage its differentiated sourcing advantage and value add expertise within infill Southern California, the nation's most desirable industrial market with occupancy levels at essentially full capacity and an incurable supply-demand imbalance. Tenant demand for Rexford Industrial's high quality, irreplaceable portfolio continues at historically high levels as demonstrated by the nearly 1 million square feet of leases executed during April and May at leasing spreads of 86% and 63% on a GAAP and cash basis, respectively," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "Our investments year-to-date, of which over 85% were acquired through off-market or lightly marked transactions, plus our pipeline of over \$700 million of additional investments under contract or accepted offer, are expected to generate substantially above-market returns on investment and drive favorable cash flow growth as we execute our value-creation strategies. In addition, our significant value-add internal growth initiatives, coupled with our fortress-like balance sheet and substantial liquidity, position Rexford Industrial to drive superior long-term value creation for our shareholders."

In June, the Company acquired:

- 14350 Arminta Street, Panorama City, located within the LA – Greater San Fernando Valley submarket for \$8.4 million, or \$463 per square foot. The 18,147 square foot building situated on 1.0 acre is adjacent to three Rexford Industrial owned assets. The property is leased to a single tenant at rent estimated to be approximately 30% below current market rental rates. Upon lease expiration, the Company plans to renew the existing tenant or re-lease at market rates following a value-add repositioning plan. The initial 2.7% unlevered cash yield is projected to grow to an unlevered stabilized cash yield on total investment of 4.5%. According to CBRE, the vacancy rate in the 181 million square foot LA – Greater San Fernando Valley submarket was 0.5% at the end of the first quarter 2022.
- 29125 Avenue Paine, Valencia, located within the LA – Greater San Fernando Valley submarket, through an off-market transaction for \$45.0 million, or \$256 per square foot. The 175,897 square foot Class A building on 9.0 acres is leased to a single tenant at rent estimated to be approximately 30% below current market rates. The Company plans to renew the existing tenant or re-lease at market rates upon lease expiration. The initial 3.2% unlevered cash yield is projected to grow to an unlevered stabilized cash yield on total investment of 4.5%.
- 2400 Marine Avenue, Redondo Beach, located within the LA – South Bay submarket, through an off-market transaction for \$30.0 million, or \$600 per square foot. The 50,000 square foot fully leased, four-tenant property situated on 2.6 acres contains a last-mile distribution center and creative industrial space serving the South Bay beach communities. The investment generates an initial 5.2% unlevered cash yield. According to CBRE, the vacancy rate in the 219 million square foot LA – South Bay submarket was 0.6% at the end of the first quarter 2022.
- 14527 and 14434 San Pedro Street, Los Angeles, located within the LA – South Bay submarket, through an off-market transaction for \$49.1 million, or \$146 per land square foot. The 121,066 square foot low coverage building situated on 7.7 acres is strategically located within close proximity to the Los Angeles International Airport and to the ports of Los Angeles and Long Beach. Upon expiration of the short-term leaseback, the Company intends to reposition the site into a best-in-class low coverage logistics and industrial outdoor storage facility. The investment is projected to generate a 7.3% unlevered stabilized cash yield on total investment.
- 20900 Normandie Avenue, Torrance, located within the LA – South Bay submarket, through an off-market transaction for \$39.9 million, or \$540 per square foot. The 74,038 square foot, fully occupied, Class-A four-tenant building situated on 3.6 acres is adjacent to a Rexford Industrial-owned asset and is leased at rents estimated to be approximately 40% below current market rates. The Company plans to drive cash flow growth through lease renewal or re-tenanting at market rates. The investment generates an initial 2.4% unlevered cash yield that is projected to grow to an unlevered stabilized cash yield on total investment of 4.3%.

- 15771 Red Hill Avenue, Tustin, located within the OC – Airport submarket, through an off-market transaction for \$46.0 million, or \$177 per land square foot. The 6.0 acre covered land site contains a 96,534 square foot, three-tenant building. Following the expiration of the current long-term leases, the Company intends to redevelop the site. The investment generates an initial 5.1% unlevered cash yield. According to CBRE, the vacancy rate in the 68 million square foot Greater Airport Area submarket was 1.6% 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 328 properties with approximately 39.3 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.

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.

Contact:

Investor Relations:

Stephen Swett

424 256 2153 ext. 401

investorrelations@rexfordindustrial.com

 View original content: <https://www.prnewswire.com/news-releases/rexford-industrial-announces-218-million-of-acquisitions-301571649.html>

SOURCE Rexford Industrial Realty, Inc.