



# Rexford Industrial

## Rexford Industrial Acquires 18-Building Industrial Portfolio for \$154.6 Million

December 4, 2020

- Adds Over 426,000 Square Feet to Prime Infill Southern California Portfolio -
- 2020 Acquisitions Total \$883.9 Million -

LOS ANGELES, Dec. 4, 2020 /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 an industrial property portfolio for \$154.6 million. The acquisition was funded with cash on hand.

"This investment demonstrates Rexford's sharp-shooter advantage by leveraging our proprietary originations platform to acquire an 18-building portfolio of irreplaceable industrial properties through an off-market transaction in one of the nation's lowest-supply, highest-demand submarkets," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "Located adjacent to the Van Nuys Airport in the L.A. – San Fernando Valley submarket, Van Nuys Airport Industrial Center provides exceptional last mile and ecommerce functionality servicing the San Fernando Valley and West Los Angeles markets, one of the largest concentrations of population and consumption in the nation. As we look forward, we remain very pleased with the opportunities before us to drive accretive internal and external growth designed to enhance shareholder value."

The Company acquired through an off-market transaction Van Nuys Airport Industrial Center, located in Van Nuys within the LA – San Fernando Valley submarket, for \$154.6 million. The investment comprises 18 separately parceled buildings totaling 426,466 square feet on 22.68 acres of land acquired for \$140.6 million, or \$330 per square foot, plus two fully-leased industrial outside storage land parcels totaling 4.14 acres acquired for \$14.0 million. These industrial properties offer high-demand spaces ranging up to 42,000 square feet with premium functionality including dock-high loading, modern clear heights and secured truck storage yards, ideally positioned to serve last-mile distribution and logistics needs. The portfolio is 99% leased to a high-quality tenant base including Fortune 500 companies as well as the General Services Administration, with rents estimated to be approximately 6.0% below current market rates. The initial unlevered yield on total investment is approximately 4.0% and is expected to grow to mid-4% as in-place rents are increased to higher market rates. Projected contractual annualized rental rate increases of 3.0% or greater thereafter will provide for further investment yield expansion. According to CBRE, the vacancy rate in the 175 million square foot LA – San Fernando Valley submarket was 2.7% at the end of the third quarter 2020.

In connection with this transaction, the Company expects to close on the acquisition of one additional property included with the portfolio referenced above located at 7817 Woodley Avenue within the L.A. – San Fernando Valley submarket, for \$10.0 million, or \$270 per square foot. This fully leased, single tenant property contains 36,900 square feet on 1.63 acres. The close of this subsequent transaction is expected to occur in January 2021, and is subject to the assumption of existing debt on the property.

### 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 236 properties with approximately 29.9 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, 2019 and the Current Report on Form 8-K filed with the SEC on or about the date of this press release. 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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