



Rexford Industrial

Rexford Industrial Acquires Two Industrial Properties For \$27.6 Million; Sells Three Industrial Properties For \$44.2 Million

October 15, 2020

- Two Value Add Investments in Prime Infill Southern California Markets -
- Dispositions Harvest Premium Value from Non-Core Properties -
- 2020 Acquisitions total \$374.6 Million -

LOS ANGELES, Oct. 15, 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 two industrial properties for \$27.6 million and the disposition of three properties for \$44.2 million. The acquisitions were funded using cash on hand.

"We are pleased with our recent transaction activity, demonstrating our ability to source accretive investment opportunities while efficiently recycling capital through strategic dispositions within infill Southern California, the nation's lowest-vacancy and highest-demand industrial property market," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "These investments represent strong examples of Rexford's value-add repositioning and redevelopment expertise. Following their near-term in-place lease expirations, these sites will be repositioned into highly-functional, higher-value industrial assets designed to appeal to a deep universe of tenants within submarkets demonstrating an extreme lack of supply of similar quality space. As we look forward, we believe the Company is well positioned with strong internal growth prospects combined with an active pipeline of investment opportunities fueled by a low-leverage, fortress-like balance sheet to increase shareholder value into future periods."

The Company acquired 12133 Greenstone Avenue, located in Santa Fe Springs within the LA – Mid Counties submarket, for \$5.5 million, or \$26 per land square foot, through an off-market transaction in July. The 100% leased, single tenant container storage facility contains a 12,586 square foot truck terminal building on 4.8 acres with excess land serving highly sought-after truck parking. Following the near-term expiration of the current lease, the Company intends to reposition the property to provide greater functionality and increase rents to higher market rates. According to CBRE, the vacancy rate in the 112 million square foot LA – Mid Counties submarket was 2.2% at the end of the third quarter 2020.

On October, 14, 2020, the Company acquired 12772-12746 San Fernando Road, located in Sylmar within the LA – San Fernando Valley submarket, for \$22.1 million, or \$78 per land square foot. The property is 56% leased and comprises a 6.48 acre development site currently containing two legacy industrial buildings totaling 140,840 square feet. Following a short-term lease period, existing improvements will be removed and the site will be redeveloped with a new 145,000 square foot single-tenant Class A industrial building providing modern functionality that is expected to command premium rents within a submarket otherwise lacking similar quality available product. 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.

During the third quarter, the Company sold a single tenant vacant building at 3927 Oceanic Drive in Oceanside within the San Diego – North submarket for \$10.3 million or \$188 per square foot. The Company also sold a multi-tenant building located at 121 West 33rd Street in National City in the San Diego – South submarket for \$13.5 million or \$176 per square foot. Finally, the Company sold a two-tenant building at 2700-2722 South Fairview in Santa Ana within the Orange County – Airport submarket for \$20.4 million or \$175 per square foot.

The Company expects to recycle the proceeds from the three dispositions utilizing tax deferred 1031 exchanges to fund future acquisition activity.

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 232 properties with approximately 27.9 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.

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

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