# Rexford Industrial Realty

**NYSE: REXR**

www.rexfordindustrial.com

Rexford Industrial

Investor Presentation

April 2023

# Forward Looking Statements

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. We caution investors that any forward-looking statements presented herein are based on management’s beliefs and assumptions and information currently available to management. Such statements are subject to risks, uncertainties and assumptions and may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. These risks and uncertainties include, without limitation: general risks affecting the real estate industry (including, without limitation, the market value of our properties, the inability to enter into or renew leases at favorable rates, portfolio occupancy varying from our expectations, dependence on tenants’ financial condition, and competition from other developers, owners and operators of real estate); risks associated with the disruption of credit markets or a global economic slowdown; risks associated with the potential loss of key personnel (most importantly, members of senior management); risks associated with our failure to maintain our status as a REIT under the Internal Revenue Code of 1986, as amended; possible adverse changes in tax and environmental laws; and potential liability for uninsured losses and environmental contamination. 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. The risks described above are not exhaustive and additional factors could adversely affect our business and financial performance, including those discussed in our annual report on Form 10-K, for the year ended December 31, 2022, and subsequent filings with the Securities and Exchange Commission. We expressly disclaim any responsibility to update forward-looking statements, whether as a result of new information, future events or otherwise. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties.

# Rexford Overview

**2001**
Founded

**REXR**
NYSE

**S&P 400**
Member

**$14.0B**
Entity Value[1]

**100%**
Infill Southern California

**44.0M SF**
Owned[1]

**115%**
Rexford Total Shareholder Return
(Last 5 years)[2]

**19%**
Average Annual Dividend Growth
(Last 5 years)[3]



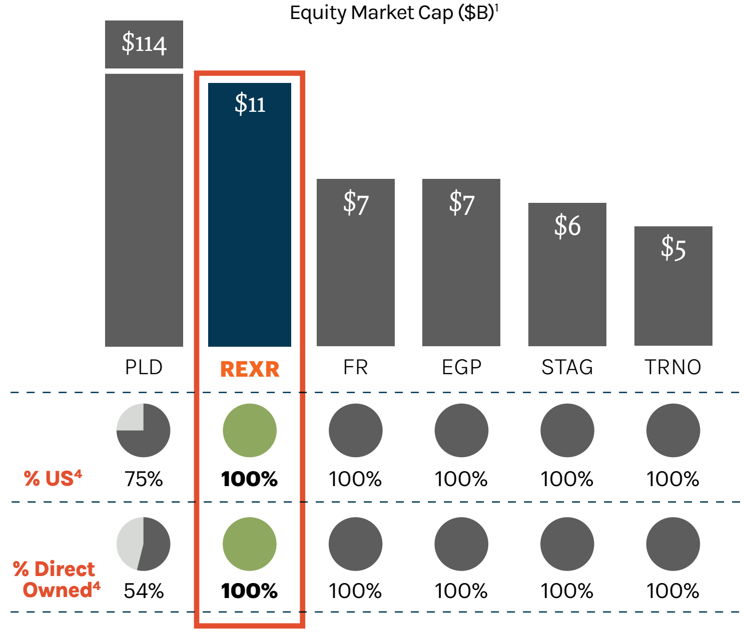
## A Superior, Highly Differentiated Strategy

- Strongest Industrial Market Opportunity
- Irreplaceable Portfolio
- Superior Cash Flow Growth Through Value Creation
- Low-Leverage Balance Sheet and Substantial Liquidity
- ESG Purpose Drives Long-Term Value

## Rexford Industrial

### Largest Pure-Play US-Focused Industrial REIT

Equity Market Cap ($B)[1]



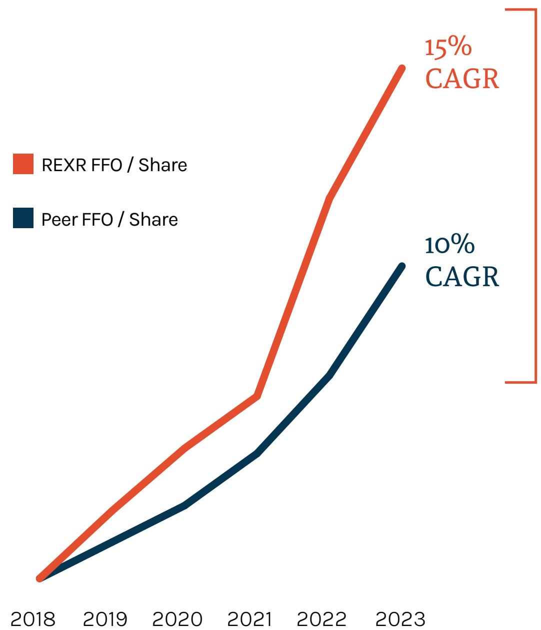

1. Calculated as the market value of fully diluted common shares (including common shares outstanding, Operating Partnership units, unvested shares of restricted stock, and vested and unvested LTIP units and performance units) as of 4/18/2023, plus liquidation value of preferred equity and total debt at balance sheet carrying value as of 3/31/2023
2. Based on share price as of 3/31/2018 through 4/18/2023
3. Based on dividends from 2018 to 2023, including annualized dividend declared on 4/17/2023
4. Source: Company filings. Direct Owned represents percentage of consolidated and unconsolidated portfolio fully owned and not encumbered by joint ventures or co-investment vehicles

# Rexford Positioned for Superior Internal and External Growth

## Unprecedented growth opportunity driven by value creation strategy

### FFO/Share Growth[1]

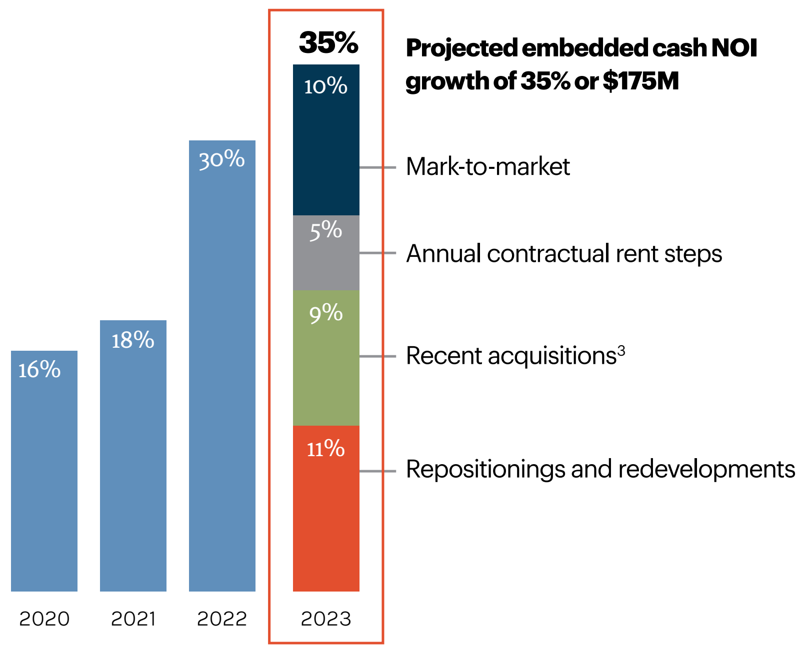
Values Indexed to 3/31/2018




**The Rexford Alpha**

Value Creation strategy generated 50% higher growth

### Rexford Projected 2-Year Embedded Internal Cash NOI[2]



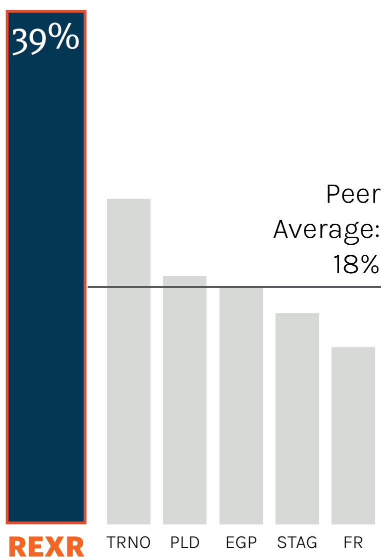

1. FFO/Share growth as of 3/31/2023. Peer group includes PLD, EGP, FR, STAG, and TRNO. 1Q23 based on actuals for REXR and consensus estimates as of 4/18/2023 for peers. FFO is a non-GAAP financial measure. For a description of FFO and a calculation of these ratios, please see the Appendix
2. Projected cash NOI over the next 24-months as of 1Q in each year. Includes impact of (a) Stabilization of properties and spaces undergoing repositioning and redevelopment; (b) Re-leasing of next 24-month expiring square footage, not including repositioning properties, at projected re-leasing spreads; and (c) Acquisitions not already included in cash NOI for the respective period. For 2023, includes cash NOI not already included in 1Q23 from acquisitions closed 1/1/2023 to 4/18/2023. Assumes no future rent growth, acquisitions, or changes in consolidated portfolio occupancy excluding repositionings. The Company does not provide a reconciliation for its projected internal cash NOI Growth to net income available to common stockholders, the most directly comparable forward looking GAAP financial measure, due to the inherent variability in timing and/or amount of various items that could impact net income available to common stockholders, including, for example, gains/losses on debt extinguishment, impairments and other items that are outside the control of the Company.
3. Adjusted for annualized impact of acquisitions acquired from 1/1/2023 through 4/18/2023

# Track Record of Sector-Leading Performance

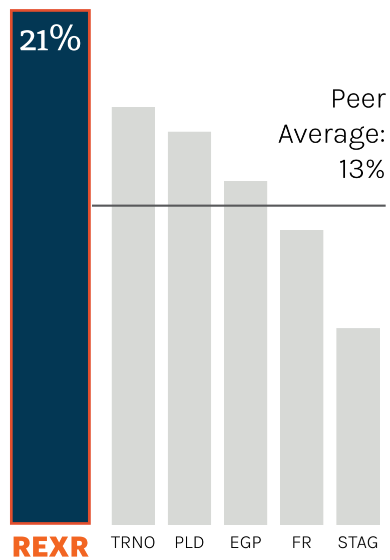
## Rexford's Infill Southern California Platform Delivers Outsized Results

## 3-Year Outperformance

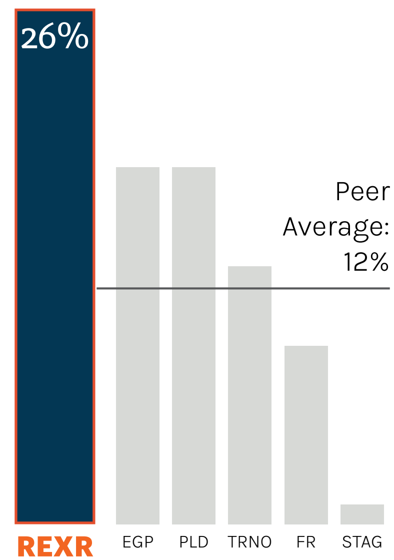
### Consolidated NOI CAGR[1]




### FFO/Share CAGR[2]




### Dividend/Share CAGR[3]




1. 3-year CAGRs calculated using consolidated NOI through 3/31/2023. Actual results for REXR and consensus estimates as of 4/18/2023 for peers. NOI is a non-GAAP financial measure. For a description of NOI and a reconciliation of NOI, please see the Appendix.
2. 3-year CAGRs calculated using FFO/share through 3/31/2023. Core FFO attributable to common shareholders (per share) was used for REXR, STAG, and PLD. NAREIT definition of FFO (per share) was used for EGP, FR, and TRNO. 1Q23 based on actuals for REXR and consensus estimates as of 4/18/2023 for peers
3. 3-year CAGRs calculated using Dividend/Share for FY 2021 - 2022 and most recent quarterly dividend multiplied by four for 2023

# Southern California: The Largest and Strongest Industrial Market in the Nation

## Largest U.S. Market

- Largest U.S. market and fourth largest in the world
- Vast and diverse economy with ~21 million residents and over 600,000 businesses[1]

## Nation-Leading Market Dynamics

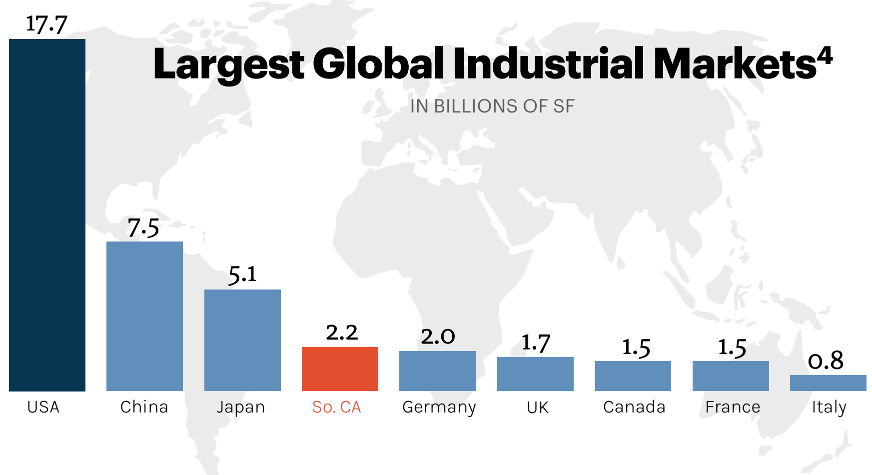
- Lower vacancy through all economic cycles[2]
- Lowest supply risk market in the nation[3]

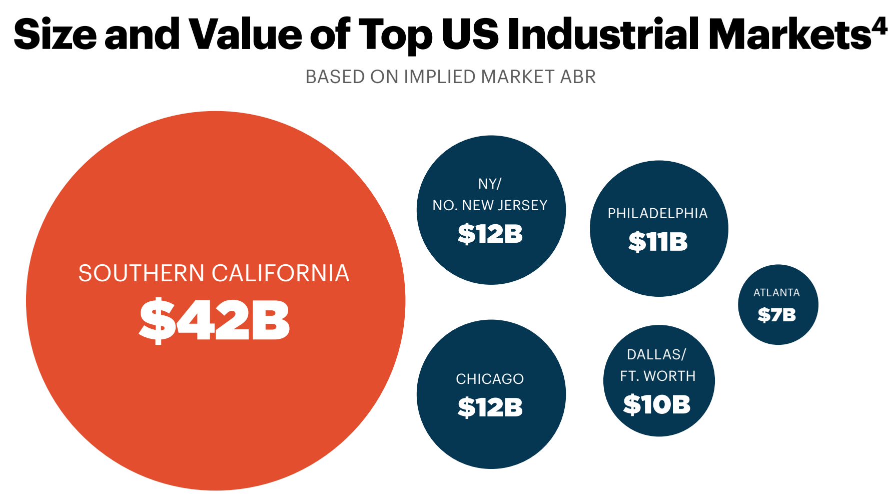
## Persistent Supply-Demand Imbalance

- Virtually no developable land, permanent natural barriers and restrictive zoning constrain supply
- Diminishing supply as industrial converts to other uses

## Diverse Tenant Demand Drives High Rent Growth

- Mission-critical tenant locations essential to businesses
- Infill SoCal rent growth projected to outpace nation[2]




1. Source: U.S. Census Bureau for Los Angeles, Orange, San Diego, Riverside, San Bernardino and Ventura Counties
2. Source: CBRE and Rexford internal portfolio metrics. Infill Southern California refers to Greater Los Angeles, Orange County, San Diego, and Inland Empire-West. Excludes Inland Empire-East
3. Source: CBRE, Truist Securities. Refers to Infill Southern California excluding Inland Empire-East
4. Source: CBRE, DAUM Real Estate Services citing CoStar Property Database. Southern California data includes Inland Empire-East

# Nation-Leading Market Dynamics

Exclusive focus on infill Southern California, strongest industrial market in the nation proven through economic cycles

Infill SoCal lowest industrial vacancy through economic cycles

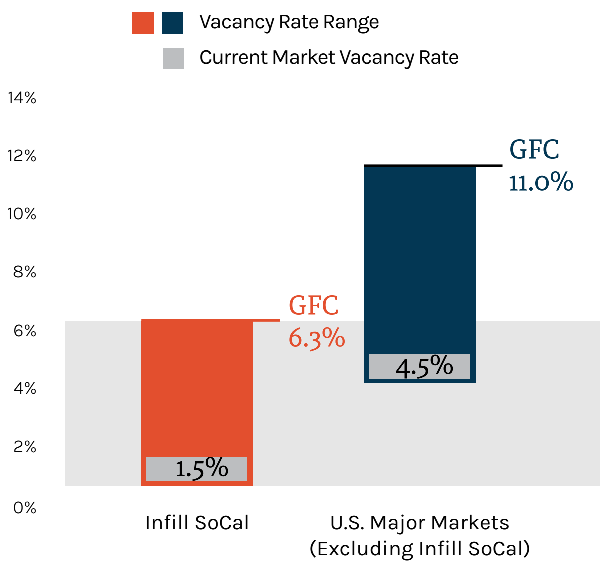
Extreme scarcity of land within infill SoCal insulates Rexford's portfolio more than other major U.S. markets

Rexford 2023 projected rent growth of 15% for infill SoCal compares to CBRE forecast of 5% for the U.S.[3]



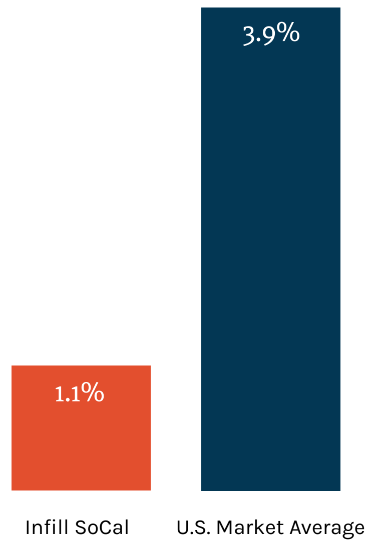
### Market Vacancy[1,2]

2000–2022



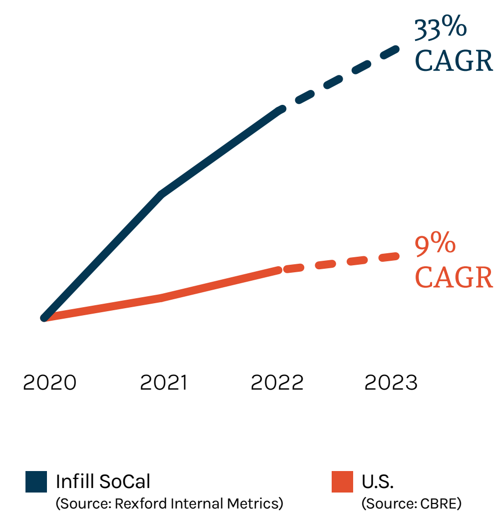

### Supply Growth[2]

2021–2022




### Historical & Projected Rent Growth[3]

Indexed to 2020

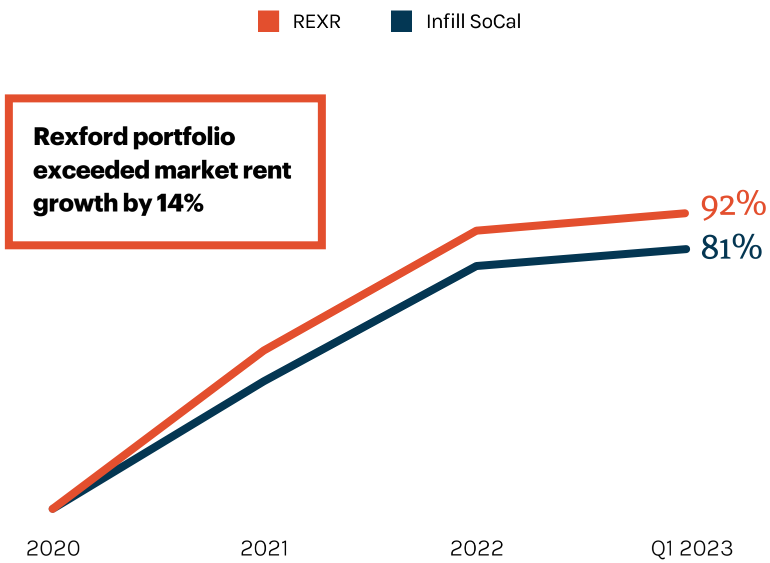



1. Source: CBRE. Infill Southern California refers to Greater Los Angeles, Orange County, San Diego, and Inland-Empire West. Excludes Inland Empire East
2. GFC defined as "Great Financial Crisis" and represents highest year of vacancy during period 2009-2010.
3. Source: Rent growth for US per CBRE Econometric Advisors as of December 2022. Rent growth for Infill Southern California per Rexford internal metrics as of April 2023 and includes Greater LA, Orange County, San Diego, and Inland Empire-West. 2023 forecasted rent growth for both represented by dotted line

# Superior Portfolio Drives Outsized Performance within Infill Southern California

Rexford's portfolio is comprised of higher quality and higher functionality product compared to the market which includes over 1 billion square feet of product built prior to 1980

### Market Rent Growth[1]




## Q1 2023 Case Study:

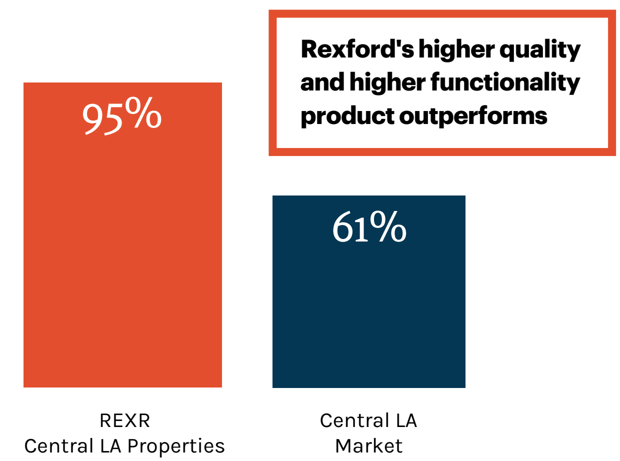
### Central LA Submarket (270M SF)[1]

| | Rexford | Central LA |
|---|---|---|
| **Q1 2023 Net Absorption** | +20K SF | —1.7M SF |
| **Average Year Built[2]** | 1999 | 1958 |

**75%** of CLA buildings impacting net absorption were obsolete, older vintage or planned redevelopment

### Central LA Market Rent Growth[1]

2020–2023

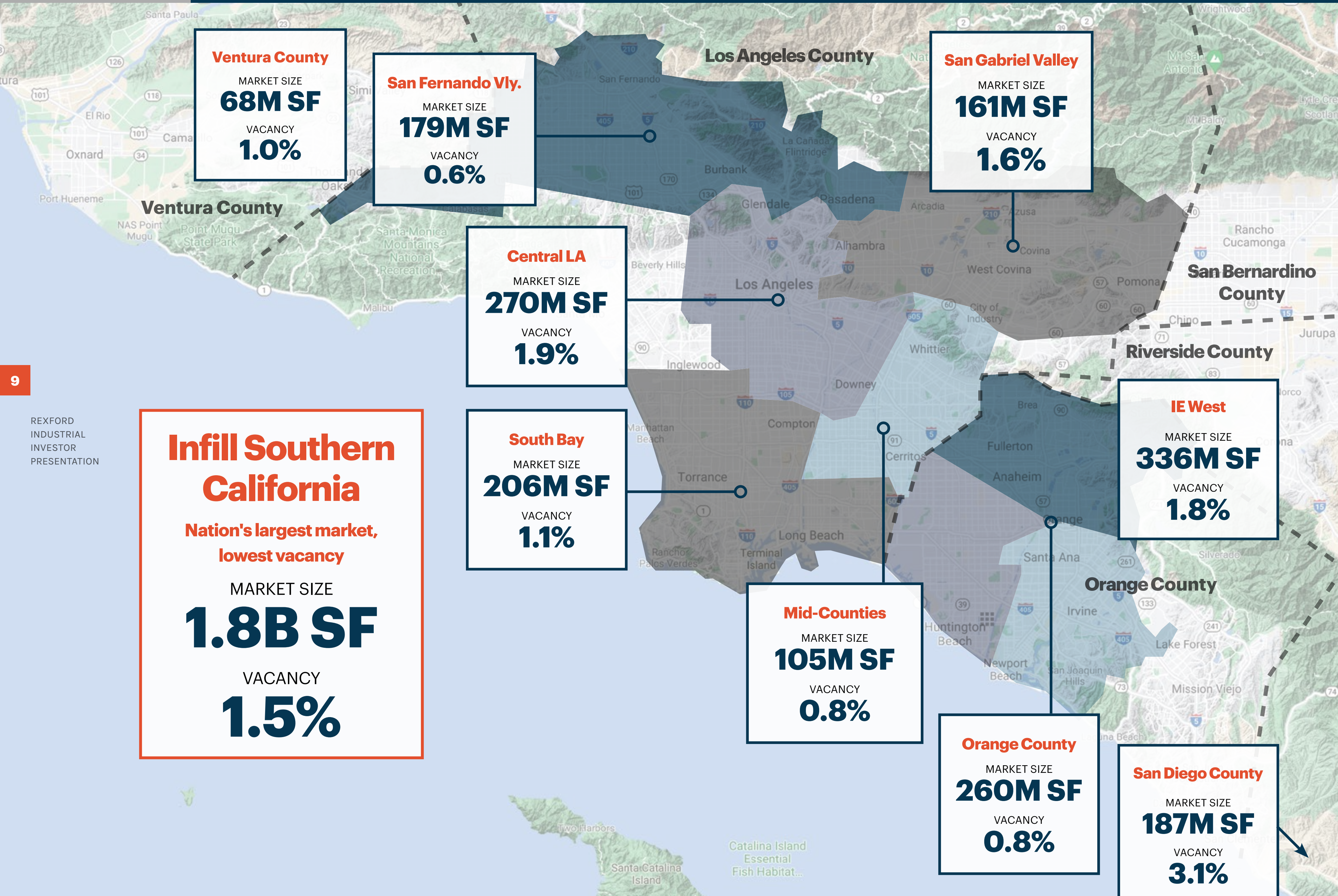



1. Source: Rexford internal portfolio metrics and CBRE. Infill Southern California refers to Greater Los Angeles, Orange County, San Diego, and Inland Empire-West. Excludes Inland Empire East
2. Rexford Average Year Built incorporates substantial capital spend and/or repositioning of the property

# STRONGEST INDUSTRIAL MARKET OPPORTUNITY








## Infill Southern California

**Nation's largest market, lowest vacancy**

MARKET SIZE
**1.8B SF**

VACANCY
**1.5%**

Source: Market data per CBRE as of 1Q23. Downtown LA and Commerce/Vernon submarkets are combined as Central LA from CBRE

Map data ©2023 Google

# Scarce and Diminishing Supply Creates Persistent Supply-Demand Imbalance

## Highest Barrier Market

- Lack of developable land, permanent barriers (mountains and oceans) and restrictive zoning constrain supply

## Diminishing Supply

- Negative supply growth from industrial conversion to other uses
- Supply constraints increasing from development restrictions and housing mandates

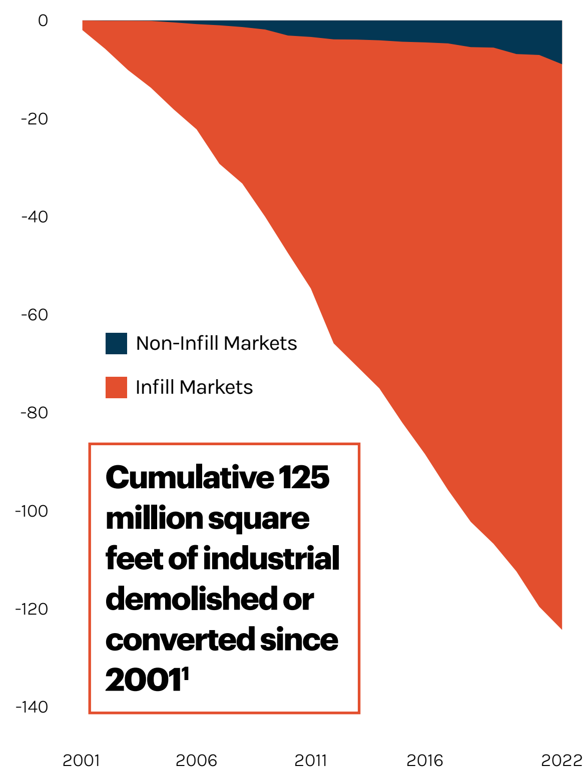
### SoCal Housing Mandates

State and local mandates to add approximately 1.5 million homes to Southern California by 2029[2]

- Conversion of industrial further reduces supply
- Increases demand from construction trades for industrial space
- Increases population/consumption around Rexford's infill portfolio

**Southern CA Industrial Demolished or Converted to Other Uses[1]**

(in millions of SF)




1. Source: CoStar/DAUM Real Estate Services. Infill areas represented by Greater LA, Orange County, San Diego, and Inland Empire-West. Non-infill represented by Inland Empire-East

2. Source: Southern California Association of Governments - Regional Housing Needs Assessment

# Robust, Diverse Tenant Demand Drives Superior Market Rent Growth

## Highest-Demand Industrial Market

Nation's most substantial first- and last-mile of distribution

## Mission-Critical Tenant Locations

Infill locations essential to tenants' operations and ability to service regional consumption base

## Highest Rent Growth

Strong rent growth projected to continue outpacing nation[1]

Rexford 2023 projected rent growth of 15% for Infill SoCal compares to CBRE forecast of 5% for the U.S.[1]

## Diverse & Growing Demand

**First Mile/ Last Mile Distribution**
Minimizes delivery times and lowers transportation costs

**Auto/EV**
Leading global market

**Construction Trades**
CA mandate to increase housing supply >20%

**E-Commerce/ 3PLs**
Technology innovation transforming supply chain

**Aerospace**
Top global market

**Entertainment**
Largest media industry in US

**Medical/Health/ Wellness**
Growing market and demand

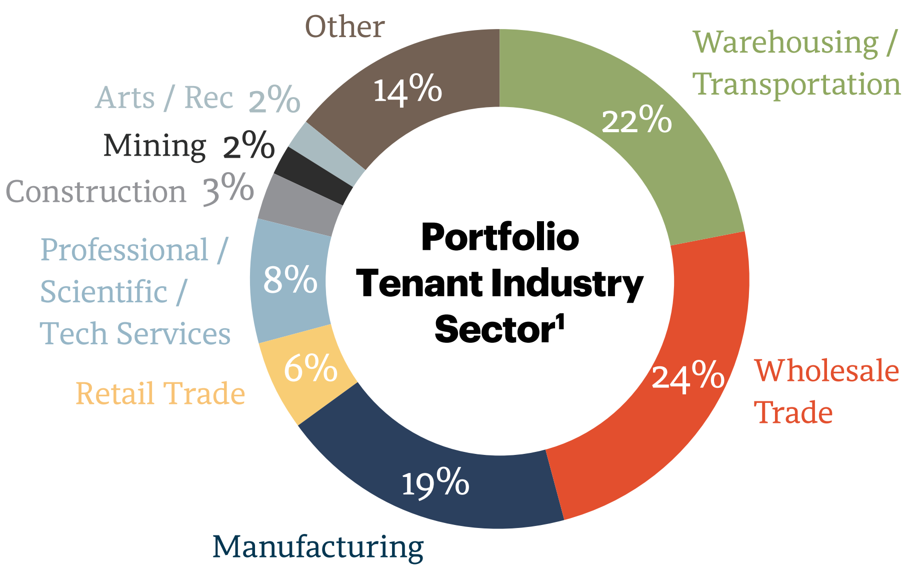
**Retail**
In-Store and E-Commerce fulfillment from local warehouses

1. Source: Rent growth for US per CBRE Econometric Advisors as of December 2022. Rent growth for Infill Southern California per Rexford internal metrics as of April 2023 and includes Greater LA, Orange County, San Diego, and Inland Empire-West.

# Highly Diversified and Stable Tenant Base

Exceptionally high quality and diversified tenant base proven through economic cycles

## Tenant Base Represented by Diverse Industry Mix




## Strong Tenant Credit

~1,600 total tenants

**Bad Debt as % of Revenue**

**+0 bps**
Trailing Twelve Months

Compared to

**-50 bps**
2017-2019 Pre-Covid Average



1. Based on percentage of total annualized base rent as of 3/31/2023

# Higher Rents Demonstrate Superior Market Fundamentals & Quality



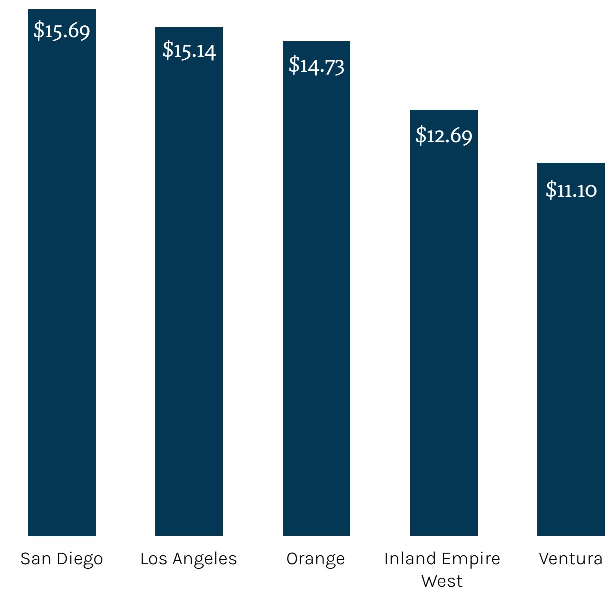
$8.06 Peer avg. ABR per SF[1]

$14.35 REXR ABR per SF (As of 3/31/2023)

Rexford's ABR exceeds peers by nearly 80% reflecting strength of infill Southern California market

**ABR per Square Foot**

As of 3/31/2023




## Rexford portfolio at a glance

(As of 4/18/2023)

| Market | REXR SF | REXR SF By Market | # of Properties |
|---|---|---|---|
| **San Diego** | 3.5m | 8% | 35 |
| **Los Angeles** | 23.9m | 54% | 218 |
| **Orange** | 4.3m | 10% | 41 |
| **Inland Empire West** | 9.2m | 21% | 51 |
| **Ventura** | 3.1m | 7% | 19 |
| **TOTAL** | **44.0m** | **100%** | **364** |

1. As of 12/31/2022. Peer group includes PLD, EGP, FR, STAG and TRNO

# Value-Add Asset Management Drives Outperformance

## Continued High Leasing Spreads 80% GAAP & 60% Cash

Demonstrate Superior, Entrepreneurial Rexford Platform and Execution

## Substantial Go-Forward Opportunity to Drive In-Place Revenue Growth

In-Place Rents Substantially Below Current Market Rates

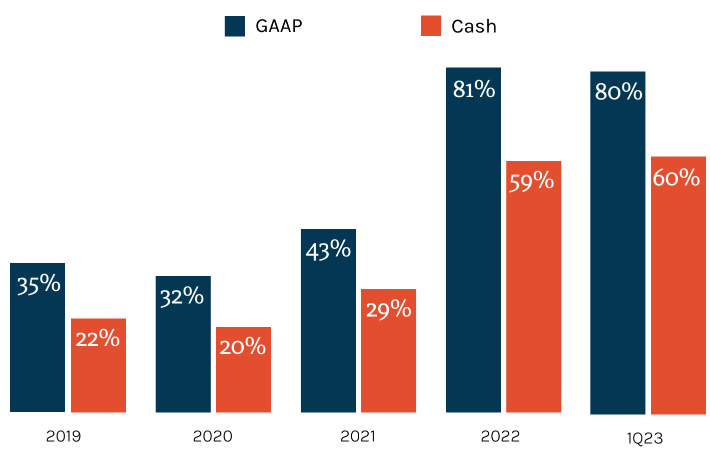
**66%**
Portfolio Net Effective Mark-to-Market
As of 3/31/2023[1]

**52%**
Portfolio Cash Mark-to-Market
As of 3/31/2023[1]

Portfolio Market-to-Market Incremental Core FFO contribution
**$1.90/sh**
equal to
**89% increase**[4]

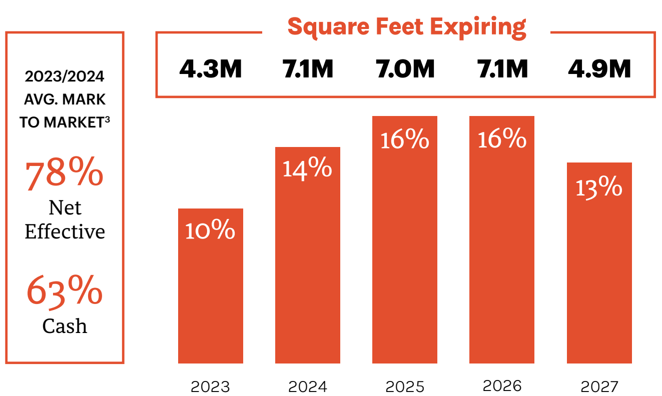
YoY Market Rent Growth: **13.5%**[2]

### New/Renewal Leasing Spreads




### Lease Expiration Schedule (% ABR)

As of 3/31/2023

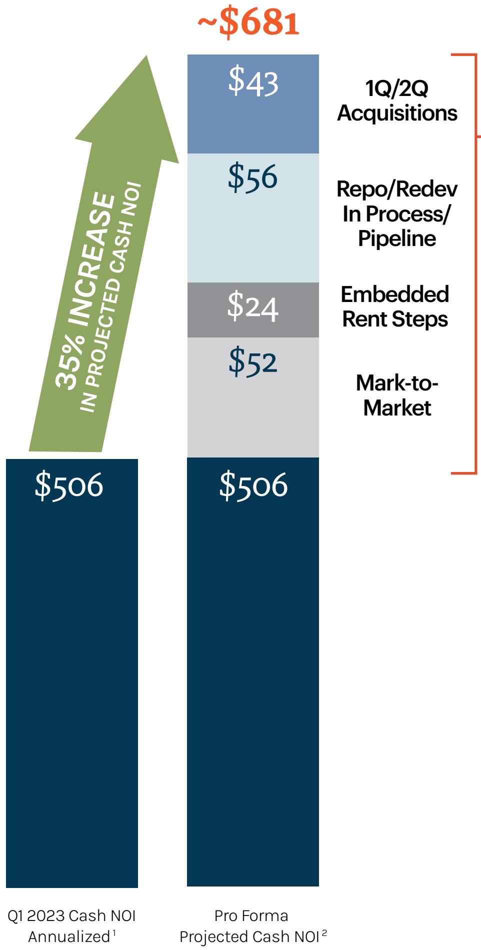



1. Mark-to-Market is defined as estimated growth in rental rates compared to in-place rental rates as of 3/31/2023. Includes impact from 1Q leasing marked to current market rents, in-place rents growing by contractual rent steps, and changes to portfolio composition from acquisitions and repositioning/redevelopment pipeline
2. Rexford Industrial internal portfolio metrics
3. Reflects weighted average mark-to-market on expiring leases through the remainder of 2023 and full year 2024
4. Represents the projected incremental Core FFO per share contribution from the portfolio net effective mark-to-market with a remaining weighted average lease term of 3.9 years by ABR.

# Positioned for Superior Internal Cash NOI Growth

**35% Projected Internal Cash NOI Growth ($mm)**

Over next 24 months excluding future acquisitions, as of 3/31/2023




**~$175 million cash NOI growth potential embedded within existing in-place portfolio**

Projected Cash NOI growth of approximately 35% over 24 months

Projected 2-year Annual Cash Same Property Growth[3] ~10% per year (assumes no change in occupancy)

Annual Embedded Rent steps of 3.4% for Total Portfolio

Cash flow generation represents favorable hedge against inflationary environment

Source: Company filings unless otherwise noted

1. Based on the annualized sum of 1Q23 cash NOI of $506mm
2. Includes impact of (a) Stabilization of properties and spaces undergoing repositioning and redevelopment; (b) Re-leasing of next 24-month expiring square footage, not including repositioning properties, at projected re-leasing spreads; and (c) Acquisitions closed 1/1/2023 to 4/18/2023 not already included in 1Q23 cash NOI. Assumes no future rent growth, acquisitions, or changes in consolidated portfolio occupancy excluding repositionings
3. Assumes portfolio square footage as of 3/31/2023. Occupancy held constant as of projected year-end 2023 with mark-to-market as of 3/31/2023. Assumes annual portfolio rent steps of 3.4% as of 3/31/2023

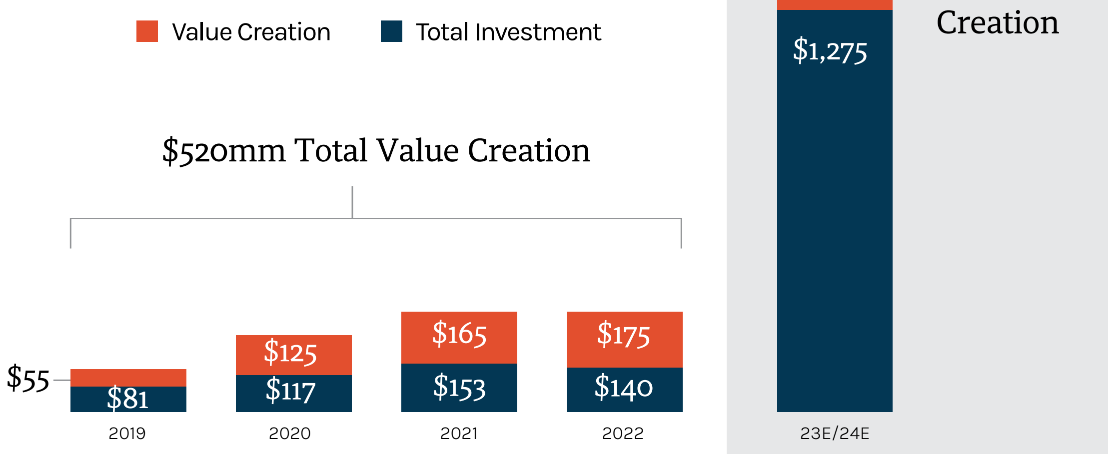
# Significant Value Creation through Repositioning & Redevelopment

Projected unlevered yields of 6.4% from repositioning and redevelopment pipeline represent significant premium to market cap rates

~$525 million of projected value creation from in-place repositioning and redevelopment pipeline through 2024

**Repositioning and Redevelopment Value Creation ($mm)[1]**

Includes Projects as of 3/31/2023




**Achieved Unlevered Yields[2]**

| 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|
| 7.1% | 5.5% | 6.6% | 8.9% |

**Value Creation Margin[3]**

| 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|
| 68% | 107% | 108% | 125% |

Source: Company filing unless otherwise noted. Reflects projects underway or expected to start over the next twelve months and project completion/stabilization timing as of 3/31/2023. Excludes other repositioning/redevelopment projects with estimated costs <$1mm

1. Value Creation calculated as incremental value at stabilization, based on prevailing market cap rates at time of stabilization and current market cap rates for in-process and near-term pipeline, less total investment cost
2. Achieved initial unlevered yields on total investment from projects completed
3. Value Creation Margin calculated as value creation divided by total investment

# Proprietary Acquisition Sourcing Drives Superior Value Creation

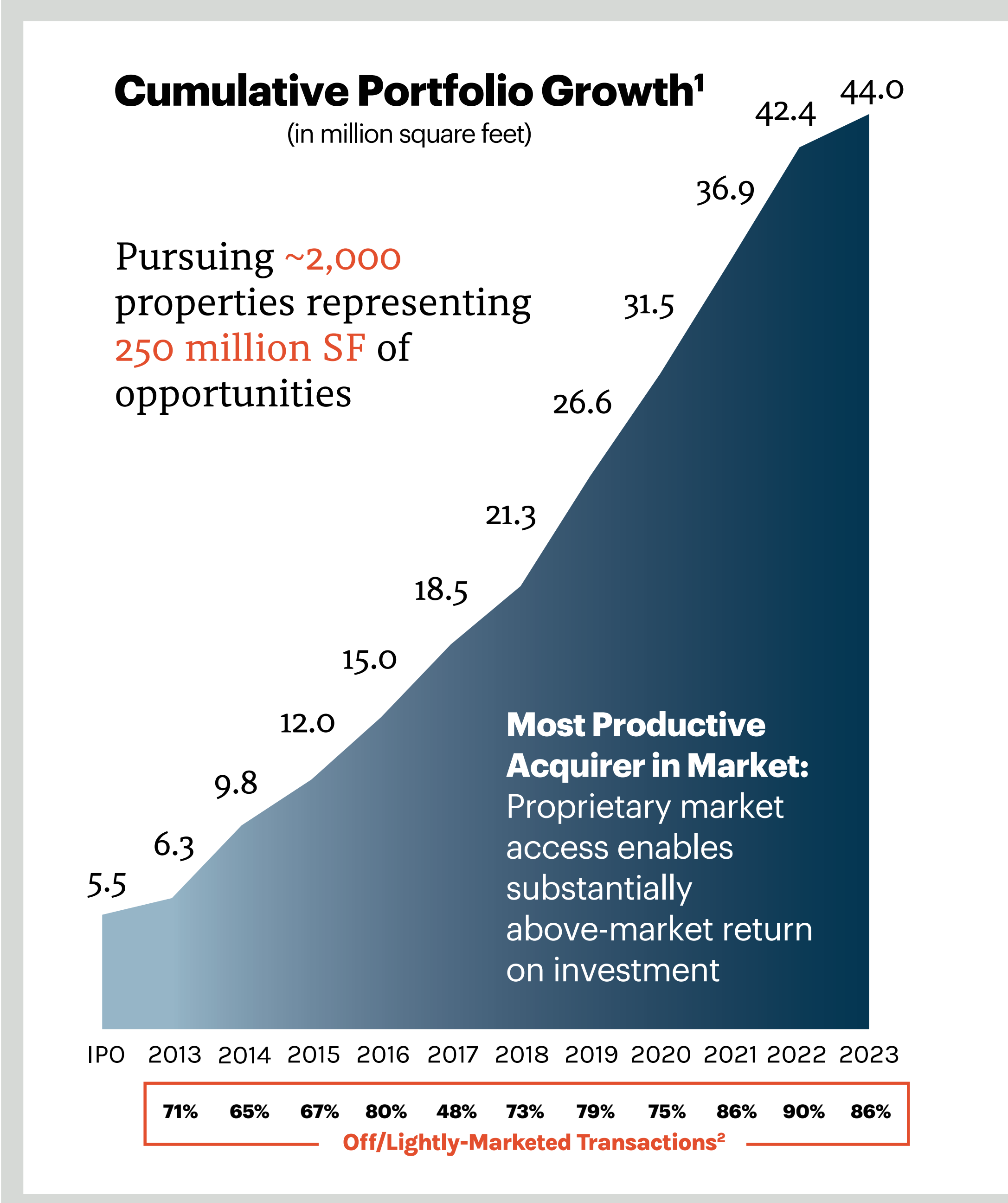


## Proven Research & Analytics

- Extensive broker, owner, lender analytics
- Event driven research & catalysts
- Extensive property & transaction analyses

## Deep Relationships, Capitalizing Upon Substantial Market Opportunity

- Relationships developed over 30+ years
- Extensive broker marketing & loyalty
- Exceptionally fragmented ownership base
- Vast value-creation opportunity with over 1 billion SF built prior to 1980




1. As of 4/18/2023. Past performance is not a guarantee of future results
2. Calculated as percentage of total transaction count

# Substantial Near- and Long-Term Cash Flow Accretion From External Growth

## Reduced Buyer Competition Enables Higher Yields Driving Greater Cash Flow and Net Asset Value Creation

**Recent Acquisition Activity**
(YTD Closed + Current Pipeline[2])

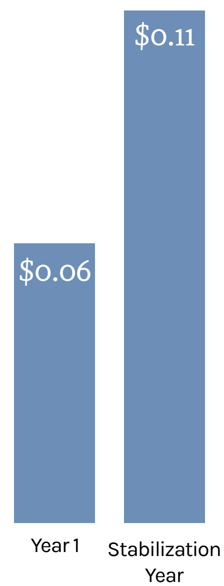
| | Investment[1] | Projected Stabilized Yield | Est. Spread Above Market Yields |
|---|---|---|---|
| **Core Plus/ Value-Add** | $475mm | 6.8% | +230 bps |
| **Core** | $465mm | 5.1% | +60 bps |

**Repositioning/Redevelopment**

| | Investment[1] | Projected Stabilized Yield | Est. Spread Above Market Yields |
|---|---|---|---|
| **In-Process/ Near-Term Pipeline** | $1.3B | 6.4% | +190 bps |

## Higher Current Yields Drive Greater Cash Flow and Net Asset Value Accretion

**YTD Closed & Pipeline Acquisitions Net FFO/Share Contribution[3]**




**Closed $804mm YTD**

**Pipeline of ~ $120mm[2]**

5.4% projected initial yield

6.0% projected stabilized yield

**Positioned for higher accretion from invested capital today:**

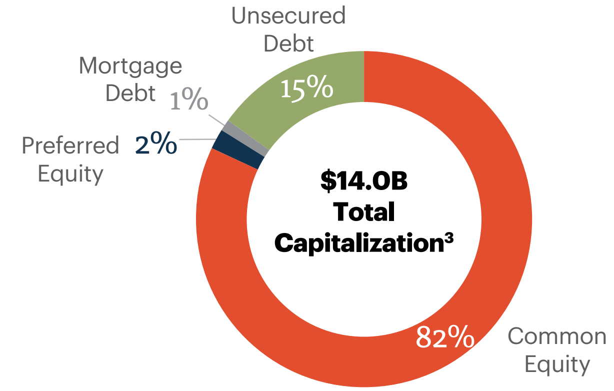
FFO contribution ~40% higher[4] (inclusive of today's cost of capital) compared to 2022



1. Reflects total acquisition costs and additional capital to achieve projected stabilized yields
2. Pipeline based on prospective transactions under contract or accepted offer, which are subject to customary diligence and closing conditions
3. Pro forma annualized net contribution to FFO per share based on projected GAAP NOI after equity and debt funding. Includes acquisitions closed in 2023 and prospective pipeline of transactions under contract or accepted offer, which are subject to customary diligence and closing conditions. Assumes funding 85% through equity issuances at current share price and remaining 15% funded by debt. Projected cost of debt based on 1-month term SOFR forward curve plus 90 basis points
4. Compares projected cumulative 6-year FFO per share contribution of acquisitions closed year-to-date and in our pipeline with acquisitions closed in 2022, normalizing total dollar investment

# Low Leverage Fortress Balance Sheet Positioned for Growth

## Investment Grade Balance Sheet with Substantial Liquidity




**$1.3B**

of Liquidity[1] (as of 3/31/2023)

**BBB+/Baa2/BBB+**

S&P / Moody's / Fitch

**3.6x**

Net Debt / LQA
Adjusted EBITDA (as of 3/31/2023)[2]

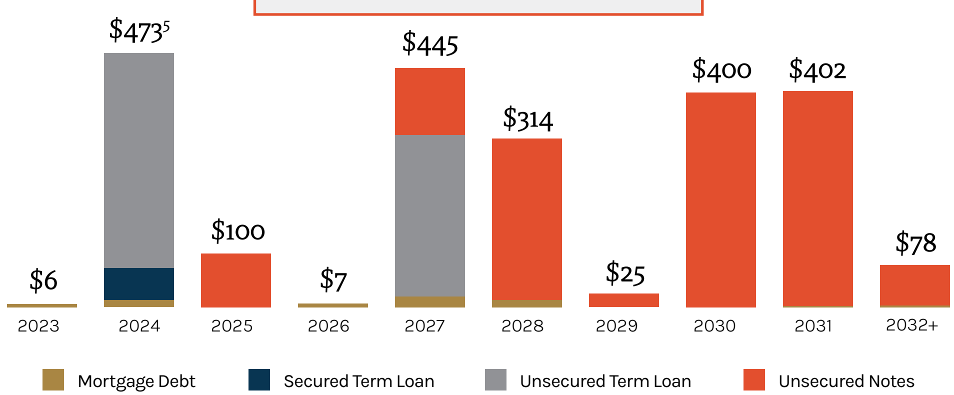
**13.6%**

Net Debt / Total Enterprise Value
(as of 3/31/2023)

**Well-Staggered Debt Maturities ($mm)**

As of 3/31/2023

3.6% weighted avg interest rate[4]
5.3 years weighted avg maturity
100% fixed rate debt




Note: Unless stated otherwise, all information as of 3/31/2023

1. Consists of $254 million in cash, $16 million in restricted cash, and full $1 billion in capacity on revolving credit facility
2. Last qtr annualized (LQA) Adj EBITDA for 1Q23 adjusts for non-cash stock comp, gains, non-recurring and acquisition expenses, and pro forma for the annualized impact of 1Q23 acquisitions
3. Common equity based on share price as of 4/18/2023. Common shares outstanding, OP units, preferred equity and debt as of 3/31/2023. Preferred equity reflects 100% of par value of preferred shares
4. Includes the effect of interest rate swaps on $760 million of indebtedness that were in effect on March 31, 2023 or became effective on April 3, 2023
5. 2024 maturities include $400 million unsecured term loan with two one-year extension and $60 million secured term loan with three one-year extensions. Extension options are available at the borrower's option subject to certain terms and conditions

# ESG Priorities for Long-Term Success

To learn more about Rexford's ESG Impacts please view our report: **rexfordindustrial.com/esg**.



We create positive impacts through our differentiated business model, **which integrates ESG factors into every decision we make.**

## Environmental Stewardship

Our infill focus and value-creation strategies drive dramatic environmental, social and community benefits, in part by driving reduced carbon footprint.

## Community Welfare

By re-inventing urban infill industrial property, amplified by extensive tenant and community engagement, we breathe new life into urban communities.

Rexford Industrial

## Culture of Respect & Excellence

We empower employees to learn, collaborate, contribute and innovate. We uphold globally recognized frameworks and standards for human rights, social and environmental responsibility.

## Our Mission

is to reinvent the business of industrial real estate by **optimizing positive impacts** for the environment and our communities, tenants, employees and shareholders. We strive to continuously **create value** for all stakeholders, and, for us, value encompasses economic, community and environmental impact.

## Our Vision

is to further build upon our enduring competitive advantage by investing in our team, innovation, communities and the environment.

# ESG Progress

Our 2022 ESG goals are aligned with the United Nations Sustainable Development Goals (SDGs), as outlined below

SUSTAINABLE DEVELOPMENT GOALS

## Environmental Stewardship

| | |
| --- | --- |
| 7 AFFORDABLE AND CLEAN ENERGY | Installed ~5 MW of solar to bring total portfolio to over 9MW |
| 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | Earned LEED Silver for all ground-up developments |
| 13 CLIMATE ACTION | Continued development of our Science-based Targets initiative (SBTi) emissions reduction targets |

## Community Welfare

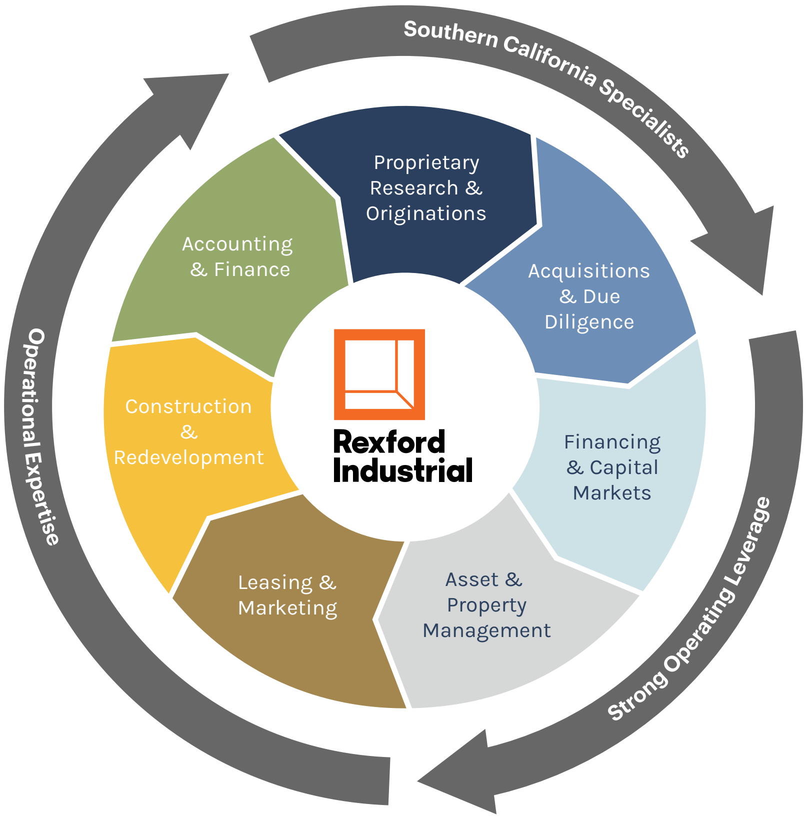
| | |
| --- | --- |
| 11 SUSTAINABLE CITIES AND COMMUNITIES | Exceeded 2021 Kingsley Survey score |
| | Over 2,000 hours of employee community volunteer time |
| | Awarded Gold Green Lease Leader |

## Culture of Respect and Excellence

| | |
| --- | --- |
| 3 GOOD HEALTH AND WELL-BEING | Implemented employee resource group WIRE (Women in Real Estate) |
| | Increased employee vacation time use and transitioned to an unlimited time off model |
| 5 GENDER EQUALITY; 10 REDUCED INEQUALITIES | Ensured candidate slates included a minimum of 20% diverse candidates |
| 8 DECENT WORK AND ECONOMIC GROWTH | Established a dedicated Department of Professional Excellence |
| | Achieved an average of 20 training hours per employee |
| 13 CLIMATE ACTION | Expanded board oversight over climate-related risks |
| | Submitted first CDP Climate Change Disclosure (formerly Carbon Disclosure Project) |

# Vertically Integrated Platform, Experienced Management

Entrepreneurial and proven team with average of ~25 years of real estate experience




| Name | Title | Years of Real Estate Experience |
|---|---|---|
| **Management** | | |
| Howard Schwimmer | Co-CEO, Director | 40 |
| Michael Frankel | Co-CEO, Director | 20 |
| Laura Clark | Chief Financial Officer | 18 |
| David Lanzer | General Counsel | 25 |
| Patrick Schlehuber | Chief Investment Officer | 19 |
| Victor Ramirez | EVP, Controller | 27 |
| Carlos Serra | EVP, Development & Construction | 25 |
| Bruce Herbkersman | SVP, Development & Construction | 32 |
| Matt Ehrlich | SVP, Leasing | 15 |
| Erin Crum | SVP, Property Operations | 22 |
| Sharyl LaPorte | SVP, Property Operations | 20 |
| **Advisory** | | |
| Richard Ziman | Chairman | 49 |

# Appendix.

Core Acquisition

# Recent Acquisition

## 10545 Production Avenue

Single tenant property on 45.9 acres

Inland Empire West



**$365 million**
Acquisition Price

**Jan 2023**
Acquisition Date

**1,101,840 SF**
Size

## Sourcing

- Marketed transaction

## Highlights

- 1.1 million square foot Class-A, cross-dock industrial building
- Features include 32' clear height, 2.0 per 10,000 square foot dock high loading ratio, 185' loading distances in truck courts, and significant trailer storage
- Occupied by a single tenant through a sale leaseback
- Generates initial unlevered cash yield of 5.0% with 4.0% contractual annual rent increases

Short-Term Redevelopment Opportunity

# Recent Acquisition

## 9000 Airport Boulevard

18.4 acres of prime real estate for redevelopment

Los Angeles - South Bay



**$143 million**
Acquisition Price

**Mar 2023**
Acquisition Date

**18.4 Acres**
Size

## Sourcing

- Off-market transaction utilizing Rexford's proprietary sourcing model and relationships

## Highlights

- 18.4-acre covered land site with three-year lease to single tenant immediately adjacent to LAX
- Following lease expiration, plan to redevelop the site by building a Class-A industrial campus or Industrial Outdoor Storage
- Initial unlevered cash yield of 5.4%
- Projected unlevered stabilized yield of 6.3%

Value-Add Acquisition

# Recent Acquisition

## 9223-9323 Balboa Avenue

Three buildings on 26.1 acres

Central San Diego



**$200 million**
Acquisition Price

**Mar 2023**
Acquisition Date

**515,382 SF**
Size

## Sourcing

- Lightly marketed transaction

## Highlights

- 26.1 acre industrial zoned covered land site situated on a prime location in Central San Diego
- Near-term opportunity to add additional value through the redevelopment of a 7.7 acre underutilized corner parcel
- R&D/Office buildings occupied by a single credit tenant subject to a 15-year NNN lease
- Initial unlevered cash yield of 5.3%
- Planned divestiture of the R&D/Office buildings upon redevelopment of 7.7 acre parcel
- Projected unlevered stabilized yield of 7.4%

Value-Add Property Renovation

# Recently Stabilized Repositioning

## 15650 Avalon Boulevard

Single Tenant Industrial Property

Los Angeles - South Bay



**Q3 2021** Start Date

**Q4 2022** Stabilization Date

**98,259 SF** Size

## Sourcing

- Off-market transaction utilizing Rexford's proprietary sourcing model and relationships

## Highlights

- Originally two-building property located in a desirable last-mile location
- Redeveloped site into modern, single-tenant, low coverage facility by demolishing 16' clear building, renovating 27' clear building, adding extensive dock-high loading and creating an oversized container yard
- Leased to tenant with achieved unlevered stabilized yield of 7.7%

Value-Add Redevelopment

# Recently Stabilized Redevelopment

## 415 Motor Avenue

Single Tenant Industrial Property

Los Angeles - San Gabriel Valley



**Q2 2021**
Start Date

**Q4 2022**
Stabilization Date

**94,321 SF**
Size

## Sourcing

- Lightly marketed transaction

## Highlights

- Acquired 4.2 acre land site in last-mile location with close proximity to multiple freeways
- Developed single tenant Class A industrial building featuring 32' clear height and 15 dock-high loading positions
- Achieved LEED Silver certification
- Leased to tenant with achieved unlevered stabilized yield of 12.2%

Value-Add Redevelopment

# In-Process Redevelopment

## 1901 Via Burton

Single Tenant Industrial Property

Orange County - North




**Q1 2022**
Start Date

**Q2 2024**
Est. Stabilization Date

**139,449 SF**
Est. Size

## Sourcing

- Off-market transaction utilizing Rexford's proprietary sourcing model and relationships

## Highlights

- Under construction on new state-of-the art 139K SF industrial building with 32' clear height and 19 dock-high loading doors
- Projected unlevered stabilized yield of 6.5%

# Non-GAAP Reconciliations

| Net Operating Income ($ in '000s) | Qtr ended 3/31/23 | Qtr ended 3/31/22 |
|---|---|---|
| Net Income (Loss) | $ 63,570 | $ 48,900 |
| Add: | | |
| General and administrative | 18,197 | 14,717 |
| Depreciation & amortization | 59,429 | 42,471 |
| Other expenses | 647 | 38 |
| Interest expense | 13,701 | 9,683 |
| Loss on extinguishment of debt | – | – |
| Subtract: | | |
| Management, leasing and development services | 190 | 163 |
| Interest income | 882 | 1 |
| Gain/(Loss) on sale of real estate | 12,133 | 8,486 |
| **Net Operating Income (NOI)** | **$ 142,339** | **$ 107,159** |
| Fair value lease revenue | (8,290) | (5,091) |
| Straight line rent adjustment | (7,628) | (6,901) |
| **Cash NOI** | **$ 126,421** | **$ 95,167** |
| Pro forma effect of acquisitions | 6,927 | 2,938 |
| Pro forma effect of dispositions | (178) | (48) |
| Pro forma effect of uncommenced leases | 1,772 | 1,136 |
| Pro forma effect of properties/space under repositioning | 17,439 | 14,386 |
| **Pro Forma Cash NOI** | **$ 152,381** | **$ 113,579** |

Source: Company filings

| Funds from Operations | Qtr ended 3/31/23 | Qtr ended 3/31/22 |
|---|---|---|
| Net Income (Loss) | $ 63,570 | $ 48,900 |
| Add: | | |
| D&A, including amounts in discontinued operations | 59,429 | 42,471 |
| Subtract: | | |
| Gain on sale of real estate | 12,133 | 8,486 |
| **Funds from Operations** | **$ 110,866** | **$ 82,885** |
| Less: preferred stock dividends | (2,314) | (2,314) |
| Less: original issuance costs of redeemed preferred stock | – | – |
| Less: FFO, noncontrolling interests | (4,833) | (3,787) |
| Less: FFO, participating securities | (427) | (296) |
| **Company Share of FFO** | **$ 103,292** | **$ 76,488** |
| | | |
| **Funds from Operations** | **$ 110,866** | **$ 82,885** |
| Loss on extinguishment of debt | – | – |
| Interest rate swap amortization | 59 | 112 |
| Acquisition expenses | 73 | 36 |
| Non-capitalizable demolition costs | 340 | – |
| Impairment of right-of-use asset | 188 | – |
| Less: preferred stock dividends | $ (2,314) | $ (2,314) |
| Less: FFO, noncontrolling interests | (4,809) | (3,793) |
| Less: FFO, participating securities | (425) | (296) |
| Less: Write-offs of below-market lease intangibles related to terminations | (1,318) | – |
| **Company Share of Core FFO** | **$ 102,660** | **$ 76,630** |
| Weighted-average shares outstanding - diluted | 195,779 | 161,049 |
| **FFO per share - diluted** | **$ 0.53** | **$ 0.47** |
| **Core FFO per share - diluted** | **$ 0.52** | **$ 0.48** |
| **Annualized Impact** | | |
| Net Operating Income | $ 569,356 | $ 428,636 |
| Net effect of pro forma adjustments | $ 103,840 | $ 73,648 |
| Recurring FFO per share - basic and diluted | $ 2.10 | $ 1.90 |

Source: Company filings

| EBITDAre and Adjusted EBITDA ($ in '000s) | Qtr ended 3/31/23 | Qtr ended 3/31/22 |
|---|---|---|
| Net income | $ 63,570 | $ 48,900 |
| Interest expense | 13,701 | 9,683 |
| Depreciation and amortization | 59,429 | 42,471 |
| Gains on sale of real estate | (12,133) | (8,486) |
| **EBITDAre** | **$ 124,567** | **$ 92,568** |
| Stock-based compensation amortization | 8,178 | 6,052 |
| Loss on extinguishment of debt | – | – |
| Acquisition expenses | 73 | 36 |
| Impairment of right-of-use asset | 188 | – |
| Pro forma effect of acquisitions | 6,927 | 2,938 |
| Pro forma effect of dispositions | (178) | (48) |
| **Adjusted EBITDA** | **$ 139,755** | **$101,546** |

Source: Company filings

# Definitions

**Cash NOI:** Cash basis NOI is a non-GAAP measure, which we calculate by adding or subtracting from NOI (i) fair value lease revenue and (ii) straight-line rent adjustment. We use Cash NOI, together with NOI, as a supplemental performance measure. Cash NOI should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs. Cash NOI should not be used as a substitute for cash flow from operating activities computed in accordance with GAAP. We use Cash NOI to help evaluate the performance of the Company as a whole, as well as the performance of our Same Property Portfolio.

**Core Funds from Operations ("Core FFO"):** We calculate Core FFO by adjusting FFO for non-comparable items outlined in the reconciliation on page 31. We believe that Core FFO is a useful supplemental measure and that by adjusting for items that are not considered by us to be part of our on-going operating performance, provides a more meaningful and consistent comparison of the Company's operating and financial performance period-over-period. Because these adjustments have a real economic impact on our financial condition and results from operations, the utility of Core FFO as a measure of our performance is limited. Other REITs may not calculate Core FFO in a consistent manner. Accordingly, our Core FFO may not be comparable to other REITs' core FFO. Core FFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance. "Company Share of Core FFO" reflects Core FFO attributable to common stockholders, which excludes amounts allocable to noncontrolling interests, participating securities and preferred stockholders (which consists of preferred stock dividends, but excludes non-recurring preferred stock redemption charges related to the write-off of original issuance costs which we do not consider reflective of our core revenue or expense streams).

**EBITDAre and Adjusted EBITDA:** We calculate EBITDAre in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). EBITDAre is calculated as net income (loss) (computed in accordance with GAAP), before interest expense, tax expense, depreciation and amortization, gains (or losses) from sales of depreciable operating property, impairment losses of depreciable property and adjustments to reflect our proportionate share of EBITDAre from our unconsolidated joint venture. We calculate Adjusted EBITDA by adding or subtracting from EBITDAre the following items: (i) non-cash stock based compensation expense, (ii) gain (loss) on extinguishment of debt, (iii) acquisition expenses, (iv) impairments of right of use assets and (v) the pro-forma effects of acquisitions and dispositions. We believe that EBITDAre and Adjusted EBITDA are helpful to investors as a supplemental measure of our operating performance as a real estate company because it is a direct measure of the actual operating results of our industrial properties. We also use these measures in ratios to compare our performance to that of our industry peers. In addition, we believe EBITDAre and Adjusted EBITDA are frequently used by securities analysts, investors and other interested parties in the evaluation of Equity REITs. However, because EBITDAre and Adjusted EBITDA are calculated before recurring cash charges including interest expense and income taxes, and are not adjusted for capital expenditures or other recurring cash requirements of our business, their utility as a measure of our liquidity is limited. Accordingly, EBITDAre and Adjusted EBITDA should not be considered alternatives to cash flow from operating activities (as computed in accordance with GAAP) as a measure of our liquidity. EBITDAre and Adjusted EBITDA should not be considered as alternatives to net income or loss as an indicator of our operating performance. Other Equity REITs may calculate EBITDAre and Adjusted EBITDA differently than we do; accordingly, our EBITDAre and Adjusted EBITDA may not be comparable to such other Equity REITs' EBITDAre and Adjusted EBITDA. EBITDAre and Adjusted EBITDA should be considered only as supplements to net income (as computed in accordance with GAAP) as a measure of our performance.

**NAREIT Defined Funds from Operations ("FFO"):** We calculate FFO in accordance with the standards established by NAREIT. FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) on sale of real estate assets, gains (or losses) on sale of assets incidental to our business, impairment losses of depreciable operating property or assets incidental to our business, real estate related depreciation and amortization (excluding amortization of deferred financing costs) and after adjustments for unconsolidated joint ventures. Management uses FFO as a supplemental performance measure because, in excluding real estate related depreciation and amortization, gains and losses from property dispositions or assets incidental to our business, other than temporary impairments of unconsolidated real estate entities, and impairment on our investment in real estate and other assets incidental to our business, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. We also believe that, as a widely recognized measure of performance used by other REITs, FFO may be used by investors as a basis to compare our operating performance with that of other REITs. However, because FFO excludes depreciation and amortization and captures neither the changes in the value of our properties that result from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties, all of which have real economic effects and could materially impact our results from operations, the utility of FFO as a measure of our performance is limited. Other equity REITs may not calculate or interpret FFO in accordance with the NAREIT definition as we do, and, accordingly, our FFO may not be comparable to such other REITs' FFO. FFO should not be used as a measure of our liquidity, and is not indicative of funds available for our cash needs, including our ability to pay dividends. FFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance. "Company Share of FFO" reflects FFO attributable to common stockholders, which excludes amounts allocable to noncontrolling interests, participating securities and preferred stockholders (which consists of preferred stock dividends and any preferred stock redemption charges related to the write-off of original issuance costs).

**Net Operating Income ("NOI"):** NOI is a non-GAAP measure which includes the revenue and expense directly attributable to our real estate properties. NOI is calculated as total revenue from real estate operations including i) rental income, ii) tenant reimbursements, and iii) other income less property expenses. We use NOI as a supplemental performance measure because, in excluding real estate depreciation and amortization expense, general and administrative expenses, interest expense, gains (or losses) on sale of real estate and other non-operating items, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. We also believe that NOI will be useful to investors as a basis to compare our operating performance with that of other REITs. However, because NOI excludes depreciation and amortization expense and captures neither the changes in the value of our properties that result from use or market conditions, nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties (all of which have real economic effect and could materially impact our results from operations), the utility of NOI as a measure of our performance is limited. Other equity REITs may not calculate NOI in a similar manner and, accordingly, our NOI may not be comparable to such other REITs' NOI. Accordingly, NOI should be considered only as a supplement to net income as a measure of our performance. NOI should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs. NOI should not be used as a substitute for cash flow from operating activities in accordance with GAAP. We use NOI to help evaluate the performance of the Company as a whole, as well as the performance of our Same Property Portfolio.

Rexford Industrial

www.rexfordindustrial.com