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Rexford Industrial Acquires Four-Building Industrial Portfolio and Outdoor Storage Property for \$103.1 Million

- Full Year 2020 Acquisitions Total \$1.22 Billion -

LOS ANGELES, Jan. 4, 2021 /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 a four-building industrial portfolio and an industrial outdoor storage property for \$103.1 million. The acquisitions closed on December 31, 2020 and were funded using newly issued operating partnership units (the "OP Units") and cash on hand. For the full year 2020, the Company acquired \$1.22 billion in industrial properties, representing 5.0 million square feet, bringing the Company's total portfolio to 248 properties comprising approximately 31.5 million square feet.

"Our transaction activity continues to demonstrate Rexford's ability to capitalize upon our proprietary research- and relationship-driven investment pipeline to acquire high-quality, irreplaceable industrial property within supply-constrained infill Southern California," said Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "This portfolio acquisition provided the seller with the unique opportunity to contribute its property to Rexford through a tax-efficient UPREIT transaction. We also acquired an industrial outdoor storage property at South Lewis Street at a favorable land cost basis, with the potential to construct a new, Class A distribution facility designed to serve unmet last-mile logistics demand. Looking ahead, we believe our deep local market expertise, focus on value-creation and our low-leverage balance sheet position the Company to drive accretive internal and external growth and long-term shareholder value."

The Company acquired through an off-market transaction a portfolio of four high quality, modern single-tenant industrial properties located in the San Fernando Valley, Mid-Counties and Inland Empire West submarkets for \$86.3 million, or \$208 per square foot. The properties contain a total of 414,744 square feet of improvements on 25.23 acres of land and are 100% leased at rents estimated to be 15% below market rates. The unlevered yield on total investment is expected to stabilize at approximately 4.3% after near-term leases roll, with further cash flow growth over time.

The portfolio purchase was completed using 1.8 million OP Units, newly issued from the Company's operating partnership, Rexford Industrial Realty, L.P., at a value of \$47.93 per share, which are redeemable by the seller on a one-to-one basis for shares of the Company's publicly traded common stock.

The properties are located at 29010 Avenue Paine, Valencia (100,157 square feet); 29010 Commerce Center Drive, Valencia (117,151 square feet); 13369 Valley Boulevard, Fontana (105,041 square feet); and 6635 Caballero Boulevard, Buena Park (92,395 square feet).

The Company also acquired an industrial outdoor storage property located at 1235 South Lewis Street in Anaheim, within the Orange County – North submarket, for \$16.8 million, or \$80 per land square foot. The 4.83-acre low-coverage site located near Anaheim's fast-growing Platinum Triangle area, contains a 62,480 square foot building and is leased at a rent estimated to be 48% below market rates. Over time, the Company has the potential to re-lease at expected higher market rental rates or redevelop the property by constructing a new 105,100 square foot Class A distribution facility designed to appeal to a wide range of tenants including last-mile logistics providers. The stabilized unlevered cash yield on total investment for the two aforementioned scenarios ranges from approximately 4.8% to 5.3%. According to CBRE, the vacancy rate in the 115 million square foot Orange County – North submarket was 1.4% at the end of the third quarter 2020.

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 248 properties with approximately 31.5 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.

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