July 19, 2022

Rexford Industrial Announces $661 Million of Acquisitions

– Acquires Seven Properties for $661 Million within Prime Infill Southern California Submarkets –

– Year-to-Date Investments Total $1.6 Billion –

LOS ANGELES, July 19, 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 seven industrial properties for an aggregate purchase price of $660.9 million. The purchases were funded using a combination of cash on hand, proceeds from forward equity settlements and the Company's line of credit.

"These investments exemplify Rexford Industrial's ability to capitalize upon its proprietary market access and unique regional sharpshooter advantage within infill Southern California, the nation's highest demand and lowest vacancy industrial market. Our $1.6 billion of investments year-to-date, of which approximately 85% were acquired through off-market or lightly marked transactions, are expected to generate substantially above-market stabilized returns on investment and drive accretive cash flow growth," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "Our pipeline of over $500 million of additional investments under contract or accepted offer, combined with our low-leverage balance sheet and significant internal growth initiatives, create a deep well of value-creation opportunities positioned to drive long-term value accretion for our shareholders."

In June and July, the Company acquired:

- A six-building industrial project located at 6221 and 6251 Archibald Avenue and 14301, 14319, 14337 and 14326 Limonite Avenue in Eastvale, located within the Inland Empire – West submarket for $470.0 million, or $445 per square foot. Situated on 49.7 acres, the 1,057,419 square foot newly constructed industrial complex is 71% leased and contains buildings ranging from 48,315 square feet to 501,649 square feet in size with minimum clear heights of 30 to 40 feet. Located in close proximity to seven Rexford Industrial owned assets, the investment expands the Company's presence and operating scale in this highly desirable industrial submarket. The initial 3.5% unlevered cash yield is projected to grow to an unlevered stabilized cash yield on total investment of 4.0%, growing over time by contractual annual increases of 4.0% and greater. According to CBRE, the vacancy rate in the 321 million square foot Inland Empire - West submarket was 0.1% at the end of the first quarter 2022.

- 4325 Etiwanda Avenue, Jurupa Valley, located within the Inland Empire – West submarket, through an off-market transaction for $47.5 million, or $382 per square foot. The 124,258 square foot Class A building situated on approximately 6.0 acres is leased to a single tenant at rent estimated to be approximately 85% below current market rates. The Company plans to renew the existing tenant or re-lease at market rates upon lease expiration. The investment is projected to generate a 4.5% unlevered stabilized cash yield on total investment.

- 3935-3949 Heritage Oak Court, Simi Valley, located within the LA – Ventura County submarket, through an off-market transaction for $56.4 million, or $302 per square foot. Acquired through a short-term sale-lease-back, the Class A 186,726 square foot two-tenant building is situated on 10.9 acres and leased at rent estimated to be approximately 35% below current market rental rates. Upon lease expiration, the Company plans to renew the existing tenants or re-lease at market rates following a value-add repositioning plan. The initial 3.4% unlevered cash yield is projected to grow to an unlevered stabilized cash yield on total investment of 5.4%. According to CBRE, the vacancy rate in the 67 million square foot LA – Ventura County submarket was 0.6% at the end of the first quarter 2022.

- 3547-3555 Voyager Street, Torrance, located within the LA – South Bay submarket, through an off-market transaction for $20.9 million or $162 per land square foot. The 3.0 acre covered land site contains a 60,248 square foot, multi-tenant industrial complex. Following lease expirations, the Company intends to redevelop the site. The investment generates an initial 3.0% unlevered cash yield and is projected to grow to an unlevered stabilized cash yield on total investment of 4.6%. 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.

- 400 W Rosecrans Avenue, Los Angeles, located within the LA – South Bay submarket for $8.5 million, or $193 per land square foot. The vacant 28,006 square foot building is situated on 1.0 acre in the highly desirable South Bay submarket. The investment is projected to generate a 5.2% unlevered stabilized yield on total investment.

- 620 E Anaheim Street, Los Angeles, located within the LA – South Bay submarket for $17.1 million, or $495 per square foot. The vacant 34,555 square foot, low-coverage building situated on approximately 2.0 acres is strategically located adjacent to the Ports of Los Angeles and Long Beach and provides a large, secured yard. The investment is projected to generate a 4.3% unlevered stabilized yield on total investment.

- 6996 and 7044 Bandini Boulevard, Commerce, located within the LA – Central submarket, through an off-market transaction totaling $40.5 million, or $170 per land square foot. The property includes two contiguous parcels on 5.5 acres fronting the I-5 highway and is 100% leased to a single tenant at rent estimated to be approximately 60% below market. Upon lease expiration, the Company intends to drive accretive cash flow growth through the renewal of the in-place tenant or through a future redevelopment. The investment is projected to generate a 4.8% unlevered stabilized cash yield on total investment. According to CBRE, the vacancy rate in the 271 million square foot LA – Central submarket was 0.7% 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 335 properties with approximately 40.8 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.

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