September 6, 2023

Rexford Industrial Announces $46 Million of Investment Activity

– Completed Three Industrial Property Acquisitions within Prime Infill Southern California Submarkets –
– Year-to Date Investments total $1.2 Billion –

LOS ANGELES, Sept. 6, 2023 /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 three industrial property investments for an aggregate purchase price of $46.2 million. The acquisitions were funded using cash on hand.

"Rexford Industrial's investment activity demonstrates the Company's unique access to well-located, off-market opportunities and ability to capitalize upon dynamic market conditions to drive favorable cash flow and net asset value growth," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "The Company continues to leverage its value-add expertise and proprietary sourcing advantage within infill Southern California, the largest and highest demand industrial market in the U.S. and the fourth largest market globally. The quality and accretive nature of our investments year-to-date and within our near-term pipeline of over $300 million of investments under contract or accepted offer demonstrate our highly selective approach to capital allocation. The Company is also favorably situated with substantial embedded internal growth and a low leverage balance sheet, positioning the Company to deliver long-term value creation for shareholders."

In July and August, through off-market transactions, the Company acquired:

- 2500 Thompson Street, Long Beach, located in the LA – South Bay submarket for $20.3 million, or $115 per square foot or $76 per land square foot. The 6.1 acre site encompasses three buildings totaling 174,691 square feet leased to a single tenant at rents estimated to be 40% below current market rates. The investment generates an initial unlevered cash yield of 5.3%. According to CBRE, the vacancy rate in the 206 million square foot LA – South Bay submarket was 1.6% at the end of the second quarter 2023.

- 422 Rosecrans Avenue, Gardena, located in the LA – South Bay submarket for $2.9 million, or $152 per land square foot. The 0.4 acre site adds to an immediately adjacent in-process Rexford Industrial redevelopment site and completes the assemblage of 6.3 total acres of land in the high demand South Bay submarket. The redevelopment features a 57,000 square foot cross-dock building and a large, secured yard for container storage. The total project is projected to generate a 5.3% unlevered cash yield on total investment.

- 14650 Hoover Street, Westminster, located in the OC – West submarket for $23.0 million, or $385 per square foot. The 59,679 square foot Class A, single tenant building is situated on 2.9 acres of land and is subject to a short-term sale leaseback. In conjunction with the acquisition, the existing tenant pre-leased the Rexford Industrial property at 17311 Nichols Lane located in the OC – West submarket, which is being repositioned into a highly-functional, 114,912 square foot industrial property. The combined estimated investment to achieve stabilization for both the Hoover Street and Nichols Lane properties is $45.0 million and is projected to generate an aggregate 7.5% unlevered stabilized cash yield. Individually, the Hoover Street property is projected to generate a 5.1% unlevered stabilized cash yield, and the Nichols Lane property is projected to generate a 10.3% unlevered stabilized cash yield. According to CBRE, the vacancy rate in the 42 million square foot OC – West submarket was 0.8% at the end of the second quarter 2023.

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 371 properties with approximately 45.0 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, 2022. 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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