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Rexford Industrial Acquires Blackstone Industrial Assets in Combined $1 Billion Investment

LOS ANGELES and NEW YORK, March 28, 2024 /PRNewswire/ -- Rexford Industrial Realty, Inc. ("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, and Blackstone (NYSE: BX), today announced Rexford Industrial acquired approximately 3 million square feet of industrial properties pursuant to separate transactions with Blackstone Real Estate, including the Blackstone Property Partners strategy as well as Blackstone Real Estate Partners and Blackstone Real Estate Income Trust, for an aggregate purchase price of $1.0 billion.

The combined portfolio comprises 48 properties, totaling 3,008,000 square feet, acquired for $1.0 billion or $332 per square foot on average. The combined portfolio is 98% leased, with 99% of the property square footage located within core, infill submarkets in Los Angeles and Orange counties. In aggregate, the investments are expected to generate a weighted average initial unlevered cash yield of 4.7% and an anticipated stabilized unlevered cash yield of 5.6%. These investments were funded using proceeds from Rexford Industrial's recent exchangeable senior note offerings and cash on hand.

"These strategic investments in exceptionally well-located, high-quality assets within infill Southern California, the nation's highest-barrier and lowest supply industrial market, represent a significant opportunity to drive accretive cash flow growth, increased operating margins and long-term value creation," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of Rexford Industrial. "With these transactions, we are pleased to further our Blackstone relationship, and look forward to identifying opportunities for future collaboration. Looking forward, our total pipeline comprises approximately $300 million of investments under contract or accepted offer, bringing the aggregate year-to-date $1.4 billion of investments completed or in the pipeline, to a weighted average 5.0% anticipated initial unlevered cash yield and anticipated 5.7% stabilized unlevered cash yield."

David Levine, Co-Head of Americas Acquisitions for Blackstone Real Estate, said, "These transactions represent an excellent outcome for our investors and demonstrate the strong institutional demand for high-quality assets in attractive markets like Southern California, where we own over 50 million square feet of warehouses. Logistics continues to experience near record low vacancy and remains a high conviction theme for Blackstone Real Estate globally; we are proud owners of $175 billion of warehouses around the world. Along with our portfolio company Link Logistics, we are pleased to work with Rexford on these transactions, who will be an excellent steward of these properties going forward."

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. Rexford Industrial'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 422 properties with approximately 49.1 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.

About Blackstone Real Estate
Blackstone is a global leader in real estate investing. Blackstone's real estate business was founded in 1991 and has US $337 billion of investor capital under management. Blackstone is the largest owner of commercial real estate globally, owning and operating assets across every major geography and sector, including logistics, residential, office, hospitality and retail. Our opportunistic funds seek to acquire undermanaged, well-located assets across the world. Blackstone's Core+ business invests in substantially stabilized real estate assets globally, through both institutional strategies and strategies tailored for income-focused individual investors including Blackstone Real Estate Income Trust, Inc. (BREIT), a U.S. non-listed REIT, and Blackstone's European yield-oriented strategy. Blackstone Real Estate also operates one of the leading global real estate debt businesses, providing comprehensive financing solutions across the capital structure and risk spectrum, including management of Blackstone Mortgage Trust (NYSE: BXMT).

Forward-Looking Statements
This press release includes forward-looking statements within the meaning of the federal securities laws and the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by the use of forward-looking terminology such as "outlook," "indicator," "believes," "expects," "potential," "continues," "identified," "may," "will," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," "confident," "conviction," or other similar words or the negatives thereof. These may include financial estimates and their underlying assumptions, statements about plans, objectives, intentions, and expectations with respect to positioning, including the impact of macroeconomic trends and market forces, future operations, repurchases, acquisitions, future performance and statements regarding identified but not yet closed acquisitions. Such forward-looking statements are inherently uncertain and there are or may be important factors that could cause actual outcomes or results to differ materially from those indicated in such statements. Rexford Industrial and BREIT believe these factors include but are not limited to those described under the section entitled "Risk Factors" in Rexford Industrial's and BREIT's respective prospectus and annual report for the most recent fiscal year, and any such updated factors included in Rexford Industrial's and BREIT's periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included herein (or in Rexford Industrial's and BREIT's public filings). Except as otherwise required by federal securities laws, each of Rexford Industrial and BREIT undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

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