

A&B expands commercial real estate portfolio with \$26.5 million Kapolei warehouse acquisition

HONOLULU, April 8, 2019 /PRNewswire/ -- Alexander & Baldwin (A&B) (NYSE: ALEX) today added another quality industrial asset with the completion of the off-market acquisition of Kapolei Enterprise Center (KEC), a newly constructed Class-A warehouse building in Kapolei.

Construction of the 93,000 square-foot building was completed in March. KEC features 40-foot clear heights, an ESFR sprinkler system, dock-high loading and roll-up, drive-in doors. The property was 100 percent pre-leased before completion, with 51 percent of the space leased to Best Buy and the remainder leased to Hawaii Transfer Co., Ltd., a Hawaii-based distribution and logistics company.

Kapolei, known as Oahu's "second city," is located 16 drive-miles from the Daniel K. Inouye International Airport and 20 drive-miles from the Port of Honolulu, served by its own deep-water port and home to the majority of the new industrial product that has been added to the market in the last decade.

This purchase represents A&B's next step toward reinvesting proceeds from the \$262 million sale of approximately 41,000 acres of agricultural farmland on Maui. A&B previously reinvested \$40 million in two Class-A warehouse buildings in Kapolei and \$42 million in a ground lease under the Home Depot store in Iwilei, Oahu.

"It's rare to find the opportunity to invest in an industrial property of this quality on Oahu, so we are excited to add KEC to our already attractive Hawaii portfolio. Industrial assets have extremely low vacancy rates and are one of our preferred asset classes, along with grocery-anchored retail and ground leases," said Lance Parker, A&B chief real estate officer.

About Alexander & Baldwin, Inc.

Alexander & Baldwin, Inc. is Hawai'i's premier commercial real estate company and the state's foremost owner of grocery-anchored retail centers. A&B is a fully integrated real estate investment trust and owns, operates and manages approximately 3.5 million square feet of primarily retail and industrial space in Hawai'i, and is a major landowner in the state. A&B's interests extend beyond commercial real estate into renewable energy and land stewardship. A&B is also a construction materials company and paving contractor in Hawai'i. Over its nearly 150-year history, A&B has evolved with the state's economy and played a lead role in the development of the agricultural, transportation, tourism, construction and real estate industries. Learn more about A&B at www.alexanderbaldwin.com.

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